SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS
OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, & 30

1. REQUISITION NUMBER	PAGE 1 OF
	2

2. CONTRACT NO.	3. AWARD/EFFECTIVE DATE	4. ORDER NUMBER	5. SOLICITATION NUMBER	6. SOLICITATION ISSUE DATE
			HSBP17QPAC	03/29/2017

7. FOR SOLICITATION INFORMATION CALL:	a. NAME	b. TELEPHONE NUMBER *(No collect calls)*	8. OFFER DUE DATE/ LOCAL TIME
	(b) (6), (b) (7)(C)	(b) (6), (b) (7)	04/07/2017 1600 E.D.T.

9. ISSUED BY — CODE

DHS - Customs & Border Protection
Department of Homeland Security
1300 Pennsylvania Ave, NW
Procurement Directorate - NP 1355
Washington DC 20229

10. THIS ACQUISITION IS ☒ UNRESTRICTED OR ☐ SET ASIDE: % FOR:

- ☐ SMALL BUSINESS
- ☐ HUBZONE SMALL BUSINESS
- ☐ SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS
- ☐ WOMEN-OWNED SMALL BUSINESS (WOSB) ELIGIBLE UNDER THE WOMEN-OWNED SMALL BUSINESS PROGRAM
- ☐ EDWOSB
- ☐ 8 (A)

NAICS: 541611
SIZE STANDARD: $15M

11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED	12. DISCOUNT TERMS	13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)	13b. RATING	14. METHOD OF SOLICITATION
☐ SEE SCHEDULE	NET 30 DAYS	☐		☒ RFQ ☐ IFB ☐ RFP

15. DELIVER TO — CODE

16. ADMINISTERED BY — CODE

17a. CONTRACTOR/ OFFEROR — CODE — FACILITY CODE

McKinsey & Company, Inc. Washington D.C.
1200 19th Street, NW, Suite 1100
Washington, DC 20036

TELEPHONE NO. 202-662-3100

18a. PAYMENT WILL BE MADE BY — CODE

☐ 17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER

☐ 18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BLOCK BELOW IS CHECKED — ☐ SEE ADDENDUM

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
10	Integrated Consulting Services - BPA *(Use Reverse and/or Attach Additional Sheets as Necessary)*				

25. ACCOUNTING AND APPROPRIATION DATA

26. TOTAL AWARD AMOUNT *(For Govt. Use Only)*

☒ 27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4. FAR 52.212-3 AND 52.212-5 ARE ATTACHED. ADDENDA ☐ ARE ☒ ARE NOT ATTACHED

☐ 27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4. FAR 52.212-5 IS ATTACHED. ADDENDA ☐ ARE ☐ ARE NOT ATTACHED

☒ 28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN ____ COPIES TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED

☐ 29. AWARD OF CONTRACT: REF. _____ OFFER DATED _____. YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS:

30a. SIGNATURE OF OFFEROR/CONTRACTOR
(b) (6), (b) (7)(C)

30b. NAME AND TITLE OF SIGNER *(Type or print)*
(b) (6), (b) (7)(C)
Senior Partner

30c. DATE SIGNED
06/21/2017

31a. UNITED STATES OF AMERICA *(SIGNATURE OF CONTRACTING OFFICER)*

31b. NAME OF CONTRACTING OFFICER *(Type or print)*
(b) (6), (b) (7)(C)

31c. DATE SIGNED

AUTHORIZED FOR LOCAL REPRODUCTION
PREVIOUS EDITION IS NOT USABLE

STANDARD FORM 1449 (REV. 2/2012)
Prescribed by GSA - FAR (48 CFR) 53.212

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT

32a. QUANTITY IN COLUMN 21 HAS BEEN

☐ RECEIVED ☐ INSPECTED ☐ ACCEPTED, AND CONFORMS TO THE CONTRACT, EXCEPT AS NOTED: _____

32b. SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE	32c. DATE	32d. PRINTED NAME AND TITLE OF AUTHORIZED GOVERNMENT REPRESENTATIVE

32e. MAILING ADDRESS OF AUTHORIZED GOVERNMENT REPRESENTATIVE	32f. TELPHONE NUMBER OF AUTHORZED GOVERNMENT REPRESENTATIVE
	32g. E-MAIL OF AUTHORIZED GOVERNMENT REPRESENTATIVE

33. SHIP NUMBER ☐ PARTIAL ☐ FINAL	34. VOUCHER NUMBER	35. AMOUNT VERIFIED CORRECT FOR	36. PAYMENT ☐ COMPLETE ☐ PARTIAL ☐ FINAL	37. CHECK NUMBER

38. S/R ACCOUNT NO.	39. S/R VOUCHER NUMBER	40. PAID BY

41a. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT		42a. RECEIVED BY *(Print)*	
41b. SIGNATURE AND TITLE OF CERTIFYING OFFICER	41c. DATE	42b. RECEIVED AT *(Location)*	
		42c. DATE REC'D *(YY/MM/DD)*	42d. TOTAL CONTAINERS

SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS
OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, & 30

1. REQUISITION NUMBER	PAGE 1 OF
	2

2. CONTRACT NO.	3. AWARD/EFFECTIVE DATE	4. ORDER NUMBER	5. SOLICITATION NUMBER	6. SOLICITATION ISSUE DATE
			Task Order 1	06/14/2017

7. FOR SOLICITATION INFORMATION CALL:	a. NAME	b. TELEPHONE NUMBER *(No collect calls)*	8. OFFER DUE DATE/ LOCAL TIME
	(b) (6), (b) (7)(C)	(b) (6), (b) (7)(C)	06/23/2017 1400 E.D.T.

9. ISSUED BY CODE

DHS - Customs & Border Protection
Department of Homeland Security
1300 Pennsylvania Ave, NW
Procurement Directorate - NP 1355
Washington DC 20229

10. THIS ACQUISITION IS ☒ UNRESTRICTED OR ☐ SET ASIDE: % FOR:

☐ SMALL BUSINESS
☐ HUBZONE SMALL BUSINESS
☐ SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS
☐ WOMEN-OWNED SMALL BUSINESS (WOSB) ELIGIBLE UNDER THE WOMEN-OWNED SMALL BUSINESS PROGRAM
☐ EDWOSB
☐ 8 (A)

NAICS: 541611
SIZE STANDARD: $15M

11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED	12. DISCOUNT TERMS	13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)	13b. RATING / 14. METHOD OF SOLICITATION
☐ SEE SCHEDULE	NET 30 DAYS	☐	☒ RFQ ☐ IFB ☐ RFP

15. DELIVER TO CODE

16. ADMINISTERED BY CODE

17a. CONTRACTOR/ OFFEROR CODE FACILITY CODE

McKinsey & Company, Inc. Washington D.C.
1200 19th Street, NW, Suite 1100
Washington, DC 20036

TELEPHONE NO. 202-662-3100

18a. PAYMENT WILL BE MADE BY CODE

☐ 17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER

18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BLOCK BELOW IS CHECKED ☐ SEE ADDENDUM

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
10	Integrated Consulting Services for ALC Firm Fixed Price - Labor *(Use Reverse and/or Attach Additional Sheets as Necessary)*			(b) (4)	

25. ACCOUNTING AND APPROPRIATION DATA

26. TOTAL AWARD AMOUNT *(For Govt. Use Only)*

☒ 27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52 212-1, 52 212-4. FAR 52.212-3 AND 52 212-5 ARE ATTACHED. ADDENDA ☐ ARE ☒ ARE NOT ATTACHED

☐ 27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52 212-4. FAR 52.212-5 IS ATTACHED. ADDENDA ☐ ARE ☐ ARE NOT ATTACHED

☒ 28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN 1 COPIES TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED

☐ 29. AWARD OF CONTRACT: REF. _____ OFFER DATED _____. YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS:

30a. SIGNATURE OF OFFEROR/CONTRACTOR (b) (6), (b) (7)(C)

31a. UNITED STATES OF AMERICA *(SIGNATURE OF CONTRACTING OFFICER)*

30b. NAME AND TITLE OF SIGNER *(Type or print)*	30c. DATE SIGNED	31b. NAME OF CONTRACTING OFFICER *(Type or print)*	31c. DATE SIGNED
(b) (6), (b) (7)(C) Senior Partner	06/22/2017	(b) (6), (b) (7)(C)	

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT

32a. QUANTITY IN COLUMN 21 HAS BEEN

☐ RECEIVED ☐ INSPECTED ☐ ACCEPTED, AND CONFORMS TO THE CONTRACT, EXCEPT AS NOTED: _____

32b. SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE	32c. DATE	32d. PRINTED NAME AND TITLE OF AUTHORIZED GOVERNMENT REPRESENTATIVE

32e. MAILING ADDRESS OF AUTHORIZED GOVERNMENT REPRESENTATIVE	32f. TELPHONE NUMBER OF AUTHORZED GOVERNMENT REPRESENTATIVE 32g. E-MAIL OF AUTHORIZED GOVERNMENT REPRESENTATIVE

33. SHIP NUMBER ☐ PARTIAL ☐ FINAL	34. VOUCHER NUMBER	35. AMOUNT VERIFIED CORRECT FOR	36. PAYMENT ☐ COMPLETE ☐ PARTIAL ☐ FINAL	37. CHECK NUMBER

38. S/R ACCOUNT NO.	39. S/R VOUCHER NUMBER	40. PAID BY

41a. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT		42a. RECEIVED BY *(Print)*	
41b. SIGNATURE AND TITLE OF CERTIFYING OFFICER	41c. DATE	42b. RECEIVED AT *(Location)*	
		42c. DATE REC'D *(YY/MM/DD)*	42d. TOTAL CONTAINERS

SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS
OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, & 30

1. REQUISITION NUMBER	PAGE 1 OF
	2

2. CONTRACT NO.	3. AWARD/EFFECTIVE DATE	4. ORDER NUMBER	5. SOLICITATION NUMBER	6. SOLICITATION ISSUE DATE
			Task Order 2	06/14/2017

7. FOR SOLICITATION INFORMATION CALL:	a. NAME	b. TELEPHONE NUMBER *(No collect calls)*	8. OFFER DUE DATE/ LOCAL TIME
	(b) (6), (b) (7)(C)	(b) (6), (b) (7)(C)	06/23/2017 1400 E.D.T.

9. ISSUED BY CODE

DHS - Customs & Border Protection
Department of Homeland Security
1300 Pennsylvania Ave, NW
Procurement Directorate - NP 1355
Washington DC 20229

10. THIS ACQUISITION IS ☒ UNRESTRICTED OR ☐ SET ASIDE: % FOR:

- ☐ SMALL BUSINESS
- ☐ HUBZONE SMALL BUSINESS
- ☐ SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS
- ☐ WOMEN-OWNED SMALL BUSINESS (WOSB) ELIGIBLE UNDER THE WOMEN-OWNED SMALL BUSINESS PROGRAM
- ☐ EDWOSB
- ☐ 8 (A)

NAICS: 541611
SIZE STANDARD: $15M

11. DELIVERY FOR FOB DESTINATION UNLESS BLOCK IS MARKED	12. DISCOUNT TERMS	13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)	13b. RATING / 14. METHOD OF SOLICITATION
☐ SEE SCHEDULE	NET 30 DAYS	☐	☒ RFQ ☐ IFB ☐ RFP

15. DELIVER TO CODE

16. ADMINISTERED BY CODE

17a. CONTRACTOR/ OFFEROR CODE FACILITY CODE

McKinsey & Company, Inc. Washington D.C.
1200 19th Street, NW, Suite 1100
Washington, DC 20036

TELEPHONE NO. 202-662-3100

18a. PAYMENT WILL BE MADE BY CODE

☐ 17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER

18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BLOCK BELOW IS CHECKED ☐ SEE ADDENDUM

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
10	International Air Travel Initiative Firm Fixed Price - Labor *(Use Reverse and/or Attach Additional Sheets as Necessary)*			(b) (4)	

25. ACCOUNTING AND APPROPRIATION DATA

26. TOTAL AWARD AMOUNT *(For Govt. Use Only)*

☒ 27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52 212-1, 52 212-4. FAR 52.212-3 AND 52 212-5 ARE ATTACHED. ADDENDA ☐ ARE ☒ ARE NOT ATTACHED

☐ 27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52 212-4. FAR 52.212-5 IS ATTACHED. ADDENDA ☐ ARE ☐ ARE NOT ATTACHED

☒ 28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN 1 COPIES TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED

☐ 29. AWARD OF CONTRACT: REF. _____ OFFER DATED _____. YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS:

30a. SIGNATURE OF OFFEROR/CONTRACTOR (b) (6), (b) (7)(C)

31a. UNITED STATES OF AMERICA *(SIGNATURE OF CONTRACTING OFFICER)*

30b. NAME AND TITLE OF SIGNER *(Type or print)*	30c. DATE SIGNED	31b. NAME OF CONTRACTING OFFICER *(Type or print)*	31c. DATE SIGNED
(b) (6), (b) (7)(C) Senior Partner	06/22/2017	(b) (6), (b) (7)(C)	

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT

32a. QUANTITY IN COLUMN 21 HAS BEEN

☐ RECEIVED ☐ INSPECTED ☐ ACCEPTED, AND CONFORMS TO THE CONTRACT, EXCEPT AS NOTED: _____

32b. SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE	32c. DATE	32d. PRINTED NAME AND TITLE OF AUTHORIZED GOVERNMENT REPRESENTATIVE

32e. MAILING ADDRESS OF AUTHORIZED GOVERNMENT REPRESENTATIVE	32f. TELPHONE NUMBER OF AUTHORZED GOVERNMENT REPRESENTATIVE 32g. E-MAIL OF AUTHORIZED GOVERNMENT REPRESENTATIVE

33. SHIP NUMBER ☐ PARTIAL ☐ FINAL	34. VOUCHER NUMBER	35. AMOUNT VERIFIED CORRECT FOR	36. PAYMENT ☐ COMPLETE ☐ PARTIAL ☐ FINAL	37. CHECK NUMBER

38. S/R ACCOUNT NO.	39. S/R VOUCHER NUMBER	40. PAID BY

41a. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT		42a. RECEIVED BY *(Print)*	
41b. SIGNATURE AND TITLE OF CERTIFYING OFFICER	41c. DATE	42b. RECEIVED AT *(Location)*	
		42c. DATE REC'D *(YY/MM/DD)*	42d. TOTAL CONTAINERS

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE	PAGE	OF PAGES
	1	1

2. AMENDMENT/MODIFICATION NO.	3. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. *(If applicable)*
A0001	04/04/2017		

6. ISSUED BY	CODE	7. ADMINISTERED BY *(If other than Item 6)*	CODE
DHS - Customs & Border Protection Department of Homeland Security 1300 Pennsylvania Ave, NW Procurement Directorate - NP 1355 Washington DC 20229			

8. NAME AND ADDRESS OF CONTRACTOR *(No., street, county, State and ZIP Code)*	(X)	9A. AMENDMENT OF SOLICITATION NO.
	☒	HSBP17QPAC
		9B. DATED *(SEE ITEM 11)* 03/29/2017
	☐	10A. MODIFICATION OF CONTRACT/ORDER NO.
		10B. DATED *(SEE ITEM 13)*
CODE / FACILITY CODE		

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☒ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☒ is extended, ☐ is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing items 8 and 15, and returning 1 copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment your desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA *(If required)*

13. THIS ITEM ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

CHECK ONE	
☐	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: *(Specify authority)* THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
☐	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES *(such as changes in paying office, appropriation date, etc.)* SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
☐	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
☐	D. OTHER *(Specify type of modification and authority)*

E. IMPORTANT: Contractor ☐ is not, ☒ is required to sign this document and return 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION *(Organized by UCF section headings, including solicitation/contract subject matter where feasible.)*

Amendment A0001 Government grants an extension of the Phase I due date FROM: Friday, April 7, 2017, 1600 EDT TO: Wednesday, April 12, 2017, 1600 EDT. We are currently finalizing responses to questions submitted and anticipate the release of responses to questions to follow this amendment.

All other terms and conditions remain unchanged.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER *(Type or print)*	16A. NAME AND TITLE OF CONTRACTING OFFICER *(Type or print)*
(b) (6), (b) (7)(C) Senior Partner	(b) (6), (b) (7)(C)
15B. (b) (6), (b) (7)(C)	15C. DATE SIGNED 4/17/17

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE	PAGE	OF PAGES
	1	1

2. AMENDMENT/MODIFICATION NO.	3. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. *(If applicable)*
A0002	04/07/2017		

6. ISSUED BY CODE

DHS - Customs & Border Protection
Department of Homeland Security
1300 Pennsylvania Ave, NW
Procurement Directorate - NP 1355
Washington DC 20229

7. ADMINISTERED BY *(If other than Item 6)* CODE

8. NAME AND ADDRESS OF CONTRACTOR *(No., street, county, State and ZIP Code)*

(X) 9A. AMENDMENT OF SOLICITATION NO.
HSBP17QPAC

9B. DATED *(SEE ITEM 11)*
03/29/2017

10A. MODIFICATION OF CONTRACT/ORDER NO.

10B. DATED *(SEE ITEM 13)*

CODE FACILITY CODE

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☒ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☒ is extended, ☐ is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing items 8 and 15, and returning 1 copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment your desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA *(If required)*

13. THIS ITEM ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

CHECK ONE	
☐	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: *(Specify authority)* THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
☐	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES *(such as changes in paying office, appropriation date, etc.)* SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
☐	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
☐	D. OTHER *(Specify type of modification and authority)*

E. IMPORTANT: Contractor ☐ is not, ☒ is required to sign this document and return 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION *(Organized by UCF section headings, including solicitation/contract subject matter where feasible.)*

Amendment A0002 to solicitation HSBP17QPAC provides for the following:
i. revision to documents: RFQ - HSBP17QPAC.pdf, RFQ Exhibit 1 - Past Performance Questionnaire.docx, RFQ Exhibit 5 - BPA SOW.pdf
ii. Question and Answer Period is extended to Tuesday, April 11, 2017, 1100 E.D.T.
iii. Phase I due date is extended to Tuesday April 18, 2017, 1100 E.D.T.

Questions to the requirement along with Past Performance Questionnaires will need to be re-submitted due to requirement revisions. All other terms and conditions remain unchanged.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER *(Type or print)*

(b) (6), (b) (7)(C) Senior Partner

(b) (6), (b) (7)(C)

15C. DATE SIGNED
4/17/17

(b) (6), (b) (7)(C)

NSN 7540-01-152-8070
Previous edition unusable

Prescribed by GSA FAR (48 CFR) 53.243

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE	PAGE	OF	PAGES
	1		1

2. AMENDMENT/MODIFICATION NO.	3. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. *(If applicable)*
A0003	04/12/2017		

6. ISSUED BY	CODE	7. ADMINISTERED BY *(If other than Item 6)*	CODE
DHS - Customs & Border Protection Department of Homeland Security 1300 Pennsylvania Ave, NW Procurement Directorate - NP 1355 Washington DC 20229			

8. NAME AND ADDRESS OF CONTRACTOR *(No., street, county, State and ZIP Code)*	(X)	9A. AMENDMENT OF SOLICITATION NO.
	☒	HSBP17QPAC
		9B. DATED *(SEE ITEM 11)* 03/29/2017
	☐	10A. MODIFICATION OF CONTRACT/ORDER NO.
		10B. DATED *(SEE ITEM 13)*
CODE / FACILITY CODE		

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☒ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☐ is extended, ☒ is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing Items 8 and 15, and returning 1 copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment your desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA *(If required)*

13. THIS ITEM ONLY APPLIES TO MODIFICATION OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

CHECK ONE	
☐	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: *(Specify authority)* THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
☐	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES *(such as changes in paying office, appropriation date, etc.)* SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
☐	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
☐	D. OTHER *(Specify type of modification and authority)*

E. IMPORTANT: Contractor ☐ is not, ☒ is required to sign this document and return 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION *(Organized by UCF section headings, including solicitation/contract subject matter where feasible.)*

Amendment A0003 to solicitation HSBP17QPAC provides for the following:

i. revision to document(s): RFQ - HSBP17QPAC.pdf (updates are in red text)
ii. Question and Answer response document

All other terms and conditions remain unchanged.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER *(Type or print)*	16A. NAME AND TITLE OF CONTRACTING OFFICER *(Type or print)*
(b) (6), (b) (7)(C) Senior Partner	(b) (6), (b) (7)(C)
15B (b) (6), (b) (7)(C)	15C. DATE SIGNED 4/17/17
	(b) (6), (b) (7)(C) 16C. DATE SIGNED

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE	PAGE	OF	PAGES
	1		1

2. AMENDMENT/MODIFICATION NUMBER	3. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQUISITION NUMBER	5. PROJECT NUMBER *(If applicable)*
A0004	06/14/2017		

6. ISSUED BY CODE

DHS - Customs & Border Protection
Department of Homeland Security
1300 Pennsylvania Ave, NW
Procurement Directorate - NP 1355
Washington DC 20229

7. ADMINISTERED BY *(If other than Item 6)* CODE

8. NAME AND ADDRESS OF CONTRACTOR *(Number, street, county, State and ZIP Code)*

CODE FACILITY CODE

(X) 9A. AMENDMENT OF SOLICITATION NUMBER

HSBP17QPAC

9B. DATED *(SEE ITEM 11)*

03/29/2017

10A. MODIFICATION OF CONTRACT/ORDER NUMBER

10B. DATED *(SEE ITEM 13)*

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☒ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☐ is extended, ☐ is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing items 8 and 15, and returning 1 copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or electronic communication which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or electronic communication, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA *(If required)*

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NUMBER AS DESCRIBED IN ITEM 14.

CHECK ONE	
☐	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: *(Specify authority)* THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NUMBER IN ITEM 10A.
☐	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES *(such as changes in paying office, appropriation data, etc.)* SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
☐	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
☐	D. OTHER *(Specify type of modification and authority)*

E. IMPORTANT: Contractor ☐ is not ☒ is required to sign this document and return 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION *(Organized by UCF section headings, including solicitation/contract subject matter where feasible.)*

Amendment A0004 to solicitation HSBP17QPAC provides for the Phase II portion of U.S. Customs and Border Protection's (CBP) requirement for Integrated Consulting Services BPA. Please review the following attachments:

i. Revision to document(s): RFQ - HSBP17QPAC.pdf (updates highlighted in yellow)
ii. Phase II Attachment(s): (1) BPA Labor Rate and Pricing Table, (2) Task Order #1 Statement of Work, (3) Task Order #1 Pricing Table, (4) Task Order #2 Statement of Work, (5) Task Order #2 Pricing Table

...Please see continuation page for Block 14...

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER *(Type or print)*	16A. NAME AND TITLE OF CONTRACTING OFFICER *(Type or print)*
(b) (6), (b) (7)(C) Senior Partner	(b) (6), (b) (7)(C)
(b) (6), (b) (7)(C)	(b) (6), (b) (7)(C)
15B. sign)	15C. DATE SIGNED 6/21/17
	16C. DATE SIGNED 06/14/2017

Previous edition unusable

STANDARD FORM 30 (REV. 11/2016)
Prescribed by GSA FAR (48 CFR) 53.243

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE	PAGE	OF	PAGES
	1		1

2. AMENDMENT/MODIFICATION NUMBER	3. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQUISITION NUMBER	5. PROJECT NUMBER *(If applicable)*
A0005	06/21/2017		

6. ISSUED BY	CODE	7. ADMINISTERED BY *(If other than Item 6)*	CODE
DHS - Customs & Border Protection Department of Homeland Security 1300 Pennsylvania Ave, NW Procurement Directorate - NP 1355 Washington DC 20229			

8. NAME AND ADDRESS OF CONTRACTOR *(Number, street, county, State and ZIP Code)*	(X)	9A. AMENDMENT OF SOLICITATION NUMBER
	☐	HSBP17QPAC
		9B. DATED *(SEE ITEM 11)* 03/29/2017
	☐	10A. MODIFICATION OF CONTRACT/ORDER NUMBER
		10B. DATED *(SEE ITEM 13)*
CODE / FACILITY CODE		

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☐	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES *(such as changes in paying office, appropriation data, etc.)* SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
☐	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
☐	D. OTHER *(Specify type of modification and authority)*

E. IMPORTANT: Contractor ☐ is not ☒ is required to sign this document and return 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION *(Organized by UCF section headings, including solicitation/contract subject matter where feasible.)*

Amendment A0005 to solicitation HSBP17QPAC provides for responses to questions submitted and an extension of the Phase II response due date/time.

i. "A0005 HSBP17QPAC - Questions Clarifications.pdf" is provided as response to questions submitted.
ii. A revised "A0005 - Task Order 2 Statement of Work (SOW)" is provided.
iii. Phase II response due date is extended to June 23, 2017, 1400 EDT.

All other terms and conditions remain unchanged.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER *(Type or print)*	15C. DATE SIGNED	16A. NAME AND TITLE OF CONTRACTING OFFICER *(Type or print)*	16C. DATE SIGNED
(b) (6), (b) (7)(C) Senior Partner	6/21/17	(b) (6), (b) (7)(C) Contracting Officer	06/21/2017
(b) (6), (b) (7)(C) *to sign)*		(b) (6), (b) (7)(C)	

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE	PAGE	OF	PAGES
	1		1

2. AMENDMENT/MODIFICATION NUMBER	3. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQUISITION NUMBER	5. PROJECT NUMBER *(If applicable)*
A0006	06/22/2017		

6. ISSUED BY	CODE	7. ADMINISTERED BY *(If other than Item 6)*	CODE
DHS - Customs & Border Protection Department of Homeland Security 1300 Pennsylvania Ave, NW Procurement Directorate - NP 1355 Washington DC 20229			

8. NAME AND ADDRESS OF CONTRACTOR *(Number, street, county, State and ZIP Code)*	(X)	9A. AMENDMENT OF SOLICITATION NUMBER
	☐	HSBP17QPAC
		9B. DATED *(SEE ITEM 11)*
		03/29/2017
	☐	10A. MODIFICATION OF CONTRACT/ORDER NUMBER
		10B. DATED *(SEE ITEM 13)*
CODE / FACILITY CODE		

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Offers must acknowledge receipt of this amendment prior to he hour and date specified in the solicitation or as amended, by one of the following me hods: (a) By completing items 8 and 15, and returning 1 copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or electronic communication which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or electronic communication, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

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☐	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
☐	D. OTHER *(Specify type of modification and authority)*

E. IMPORTANT: Contractor ☐ is not ☒ is required to sign this document and return 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (*Organized by UCF section headings, including solicitation/contract subject matter where feasible)*

Amendment A0006 to solicitation HSBP17QPAC provides for a Phase II submission due date and time confirmation as well as include SF1449's for the task orders.

i. "A0006 - Task Order 1 - SF1449" and "A0006 - Task Order 2 - SF1449" is provided.
ii. Phase II response due date is set for June 23, 2017, 1400 EDT.

All other terms and conditions remain unchanged.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER *(Type or print)*	16A. NAME AND TITLE OF CONTRACTING OFFICER *(Type or print)*
(b) (6), (b) (7)(C) Senior Partner	(b) (6), (b) (7)(C) Contracting Officer
15B. CONTRACTOR/OFFEROR (b) (6), (b) (7)(C) *(Signature of person authorized to sign)*	15C. DATE SIGNED: 6/22/17
(b) (6), (b) (7)(C)	16C. DATE SIGNED: 06/22/2017

Previous edition unusable

STANDARD FORM 30 (REV. 11/2016)
Prescribed by GSA FAR (48 CFR) 53.243

CBP Consulting Services Blanket Purchase Agreement - BPA Pricing Template - McKinsey & Company, Inc. Washington D.C.

Labor Category / Team Type	Team Description	Personnel Category, Education and Experience	Schedule Rate	BPA Discount	Base BPA Rate	Option 1 BPA Rate	Option 2 BPA Rate	Option 3 BPA Rate	Option 4 BPA Rate
Team A (EM+1)	**Team A integrates seven distinctive capabilities into a seamless offering**: ● Committed **leadership by two McKinsey Partners/Senior Partners (part-time)**, who are accountable for delivery, actively manage the engagement, and lead problem solving with the team. ● **A full-time team of one Engagement Manager and one Associate or Business Analyst**, who lead the day-to-day work (e.g., interviews and data collection, analysis, problem solving, communications). The full-time team draws upon the following resources, capabilities, and expertise as much as needed to deliver superior results to the client. ● **Content experts (part-time)**, who bring world-class expertise and experience on relevant industry and functional topics. ● **Proprietary knowledge and tools** that help our clients solve problems more efficiently and effectively. ● Support for **new solutions and advanced analytic techniques**. ● A **research team** that is available around-the-clock to answer clients' questions about issues such as best practices or important trends. ● World-class **graphics support**.	See "Team Personnel" Table Below							
Team B (EM+2)	**Team B integrates seven distinctive capabilities into a seamless offering:** ● Committed **leadership by two McKinsey Partners/Senior Partners (part-time)**, who are accountable for delivery, actively manage the engagement, and lead problem solving with the team. ● **A full-time team of one Engagement Manager and two Associates or Business Analysts**, who lead the day- to-day work (e.g., interviews and data collection, analysis, problem solving, communications). The full-time team draws upon the following resources, capabilities, and expertise as much as needed to deliver superior results to the client. ● **Content experts (part-time)**, who bring world-class expertise and experience on relevant industry and functional topics. ● **Proprietary knowledge and tools** that help our clients solve problems more efficiently and effectively. ● Support for **new solutions and advanced analytic techniques**. ● A **research team** that is available around-the-clock to answer clients' questions about issues such as best practices or important trends. ● World-class **graphics support.**	See "Team Personnel" Table Below							
Team C (EM+3)	**Team C integrates seven distinctive capabilities into a seamless offering:** ● Committed **leadership by at least two and sometimes three McKinsey Partners/Senior Partners (part-time)**, who are accountable for delivery, actively manage the engagement, and lead problem solving with the team. ●**A full-time team of one Engagement Manager and three Associates or Business Analysts**, who lead the day-to-day work (e.g., interviews and data collection, analysis, problem solving, communications). The full-time team draws upon the following resources, capabilities, and expertise as much as needed to deliver superior results to the client. ● **Content experts (part-time)**, who bring world-class expertise and experience on relevant industry and functional topics. ● **Proprietary knowledge and tools** that help our clients solve problems more efficiently and effectively. ● Support for **new solutions and advanced analytic techniques**. ● A **research team** that is available around-the-clock to answer clients' questions about issues such as best practices or important trends. ● World-class **graphics support.**	See "Team Personnel" Table Below							
Team D (EM+4)	**Team D integrates seven distinctive capabilities into a seamless offering:** ● Committed **leadership by at least two and sometimes three McKinsey Partners/Senior Partners (part-time)**, who are accountable for delivery, actively manage the engagement, and lead problem solving with the team. ● **A full-time team of one Engagement Manager and four Associates or Business Analysts**, who lead the day-to-day work (e.g., interviews and data collection, analysis, problem solving, communications). The full-time team draws upon the following resources, capabilities, and expertise as much as needed to deliver superior results to the client. ● **Content experts (part-time)**, who bring world-class expertise and experience on relevant industry and functional topics. ● **Proprietary knowledge and tools** that help our clients solve problems more efficiently and effectively. ● Support for **new solutions and advanced analytic techniques**. ● A **research team** that is available around-the-clock to answer clients' questions about issues such as best practices or important trends. ● World-class **graphics support.**	See "Team Personnel" Table Below							
Team E - (1 Asc)	**Team E integrates seven distinctive capabilities into a seamless offering:** ● Committed **leadership by one McKinsey Partner (part- time)**, who is accountable for delivery, actively manages the engagement, and leads problem solving with the team. ● **A full-time team of one Associate or Business Analyst**, who leads the day- to-day work (e.g., interviews and data collection, analysis, problem solving, communications). The full-time Associate or Business Analyst draws upon the following resources, capabilities, and expertise as much as needed to deliver superior results to the client. ● **Content experts (part-time)**, who bring world-class expertise and experience on relevant industry and functional topics. ● **Proprietary knowledge and tools** that help our clients solve problems more efficiently and effectively. ● Support for **new solutions and advanced analytic techniques**. ● A **research team** that is available around-the-clock to answer clients' questions about issues such as best practices or important trends. ● World-class **graphics support.**	See "Team Personnel" Table Below							
Leadership Counseling	**Leadership counseling integrates five distinctive capabilities into a seamless offering:** ● Committed **leadership by one McKinsey Partner (part-time)**, who is accountable for delivery and actively manages the engagement. ● **Content experts (part-time)**, who bring world-class expertise and experience on relevant industry and functional topics. ● **Proprietary knowledge and tools** that help our clients solve problems more efficiently and effectively. ● Support for **new solutions and advanced analytic techniques**. ● A **research team** that is available around-the-clock to answer clients' questions about issues such as best practices or important trends.	See "Team Personnel" Table Below							
Management Workshop	**Management workshop includes:** ● A Management Workshop is a **one-day event led by two consultants**, who meet with a group of clients to help them address a top management issue, understand industry trends, or build their skills. The consultants prepare materials, such as data analysis, interview summaries, market intelligence, best practices, and management options, to help ensure that the workshop is content-rich and fact-based. A Management Workshop includes a minimum of 4 and a maximum of 40 clients.	See "Team Personnel" Table Below							

(b) (4) [redacted]

Team Personnel

Personnel Category	Education	Experience
Senior Partner	Most Senior Partners have a graduate degree from a leading academic institution. At a minimum, Senior Partners have a Bachelor's degree.	• Senior Partners typically have 20+ years of experience. • At a minimum, Senior Partners have 10 years of experience.
Partner	Most Partners have a graduate degree from a leading academic institution. At a minimum, Partners have a Bachelor's degree.	• Partners typically have 9-15 years of experience. • At a minimum, Partners have 5 years of experience.
Engagement Manager	Most Engagement Managers have a graduate degree from a leading academic institution. At a minimum, Engagement Managers have a Bachelor's degree.	• Engagement Managers typically have 5-7 years of experience. • At a minimum, Engagement Managers have 2 years of experience.
Associate	Most Associates have a graduate degree from a leading academic institution. At a minimum, Associates have a Bachelor's degree.	• Associates typically have 3-5 years of experience. • At a minimum, Associates have 1 year of experience.
Business Analyst	At a minimum, Business Analysts have a Bachelor's degree.	• Business Analysts typically have 0-2 years of experience. • At a minimum, Business Analysts have 0 years of experience and are recent college graduates.

Narrative:

● McKinsey's team-based pricing approach provides the best value to the Government due to (1) our "One Firm" approach that provides consultants with both private sector and Federal government expertise (unlike other firms that have structural barriers to obtaining private sector talent or need to subcontract that expertise); (2) strong commitment of McKinsey partners who spend real time actively problem solving on engagements, not simply administrating; and (3) distinctive proprietary knowledge and tools that help teams efficiently drive to unique insights for the Government.

● McKinsey is pleased to offer CBP a (b) (4) [redacted] off of our GSA PSS Contract No. GS-10F-0118S rates for the BPA; and, to further demonstrate our commitment to CBP, McKinsey is pleased to offer the following **additional volume discounts** for future Task Orders: (b) (4) [redacted] as well as consideration of additional discounts based on the size, scale and scope of future Task Orders.

● McKinsey's GSA PSS Contract No. GS-10F-0118S includes a 3.75% labor rate escalation; however, in accordance with the requirements of the RFQ, McKinsey has proposed a 2% labor rate escalation for each option period.

Certification:

● McKinsey confirms that its online representations and certification (ORCA) information is current and accurate.

Confidential and proprietary information exempt from disclosure under Section (b)(4) of the Freedom of Information Act, 5 U.S.C. § 552 et seq.

(b) (6), (b) (7)(C)

From: (b) (6)
Sent: Friday, June 23, 2017 12:48 PM
To: (b) (6)
Cc:
Subject: RFQ HSBP17QPAC - Phase II Submission - Email 1 of 3
Attachments: RFQ HSBP17QPACF_Technical_Factor_1_Tabs_1-4_McKinsey.docx

Importance: High

(See attached file: RFQ HSBP17QPACF_Technical_Factor_1_Tabs_1-4_McKinsey.docx)

(b) (6), (b) (7)(C)

McKinsey & Company, Inc. Washington D.C. (McKinsey) is pleased to submit the attached proposal in response to Phase II of the U.S. Customs and Border Protection's (CBP) Request for Quote (RFQ) HSBP17QPAC. Our Phase II quote submission includes the following attached documents. Please note that due to the size of the files, we will be submitting in three (3) separate emails, as indicated below.

- Volume I: Technical Proposal (Factor 1):
  1. **Tabs 1 – 4 (Word) – Email 1 of 3**
  2. Tab 1 - Signed and completed SF 1449 for BPA and Task Orders, and signed Amendments A0001-A0006 (PDF) – Email 2 of 3
  3. Tab 4 - Oral Presentation (PowerPoint) – Email 3 of 3
- Volume III: Price Proposal (Factor 4):
  4. Tab 4B - RFQ Exhibit 2 -BPA Labor Rate and Pricing Table (Excel) - Email 2 of 3
  5. Tab 4B - RFQ Exhibit 3 -Task Order 1 Pricing Table (Excel) - Email 2 of 3
  6. Tab 4B - RFQ Exhibit 4 -Task Order 2 Pricing Table (Excel) - Email 2 of 3

We kindly request for you to provide confirmation of receipt of the three (3) emails and the attached documents referenced above.

We look forward to the potential of serving CBP on this important initiative.

Thank you,

(b) (6)
Senior Contract Manager
(b) (6)

+==========+
This email is confidential and may be privileged. If you have received it in error, please notify us immediately and then delete it. Please do not copy it, disclose its contents or use it for any purpose.
+==========+

(b) (6), (b) (7)(C)

From: (b) (6)
Sent:
To: (b) (6)
Cc:
Subject: RFQ HSBP17QPAC - Phase II Submission - Email 2 of 3
Attachments: 02. Tab 1 - Signed SF1449 and Amendments_McKinsey_06.23.17.pdf; 04. Tab 4B - RFQ Exhibit 2 -BPA Labor Rate and Pricing Table_McKinsey.xlsx; 05. Tab 4B - RFQ Exhibit 3 - Task Order 1 Pricing Table_McKinsey.xlsx; 06. Tab 4B - RFQ Exhibit 4 -Task Order 2 Pricing Table_McKinsey.xlsx

Importance: High

(See attached file: 02. Tab 1 - Signed SF1449 and Amendments_McKinsey_06.23.17.pdf)(See attached file: 04. Tab 4B - RFQ Exhibit 2 -BPA Labor Rate and Pricing Table_McKinsey.xlsx)(See attached file: 05. Tab 4B - RFQ Exhibit 3 -Task Order 1 Pricing Table_McKinsey.xlsx)
(See attached file: 06. Tab 4B - RFQ Exhibit 4 -Task Order 2 Pricing Table_McKinsey.xlsx)

(b) (6), (b) (7)(C)

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  6. **Tab 4B - RFQ Exhibit 4 -Task Order 2 Pricing Table (Excel) - Email 2 of 3**

We kindly request for you to provide confirmation of receipt of the three (3) emails and the attached documents referenced above.

We look forward to the potential of serving CBP on this important initiative.

Thank you,
(b) (6)
Senior Contract Manager
(b) (6)

==========+
This email is confidential and may be privileged. If you have received it in error, please notify us immediately and then delete it. Please do not

copy it, disclose its contents or use it for any purpose.
+==========+

(b) (6), (b) (7)(C)

From: (b) (6)
Sent: Friday, June 23, 2017 12:50 PM
To: (b) (6)
Cc:
Subject: RFQ HSBP17QPAC - Phase II Submission - Email 3 of 3
Attachments: RFQ HSBP17QPACF_Technical_Factor_1_Oral_Presentation_McKinsey.pptx

Importance: High

(See attached file: RFQ HSBP17QPACF_Technical_Factor_1_Oral_Presentation_McKinsey.pptx)

(b) (6), (b) (7)(C)

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  6. Tab 4B - RFQ Exhibit 4 -Task Order 2 Pricing Table (Excel) - Email 2 of 3

We kindly request for you to provide confirmation of receipt of the three (3) emails and the attached documents referenced above.

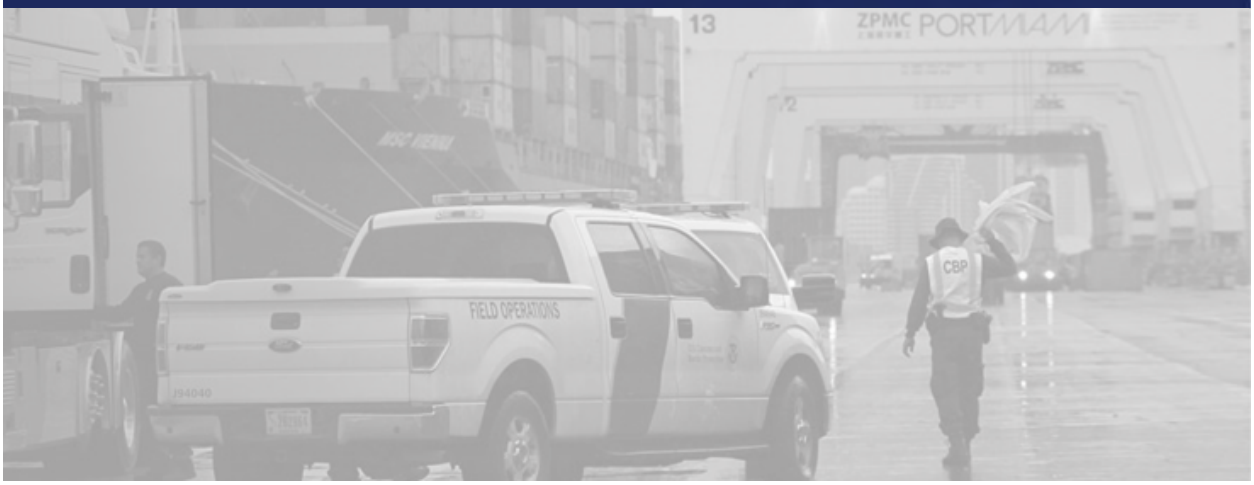
We look forward to the potential of serving CBP on this important initiative.

Thank you,

(b) (6)
Senior Contract Manager
(b) (6)

+==========+
This email is confidential and may be privileged. If you have received it in error, please notify us immediately and then delete it. Please do not copy it, disclose its contents or use it for any purpose.
+==========+

McKinsey&Company



U.S. Customs and Border Protection

Integrated Consulting Services and Integrated Business Program Support Services

Volume I: Technical Proposal (Factor 1) – Tabs 1-4

RFQ # HSBP17QPAC
Due: June 23, 2017, 2:00 p.m. EDT

Submitted to:
U.S. Customs and Border Protection
(b) (6), (b) (7)(C)

Submitted by:
McKinsey & Company, Inc. Washington D.C.
Thomas Dohrmann, Senior Partner
1200 19th Street, NW, Suite 1100
Washington, DC 20036
www.mckinsey.com

This proposal is the property of McKinsey & Company, Inc. Washington D.C. ("McKinsey") and must not be disclosed outside the Government or be duplicated, used, or disclosed—in whole or in part—for any purpose other than to evaluate this proposal. If a contract is awarded to McKinsey as a result of, or in connection with, the submission of this proposal, the Government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract and subject to the limitations of the Freedom of Information Act. This proposal contains confidential and proprietary information that is exempt from disclosure under Section (b)(4) of the Freedom of Information Act, 5 U.S.C. § 552 et seq. Accordingly, no portion of this proposal should be released without consulting McKinsey & Company. This proposal is contingent on the Parties reaching mutually agreeable terms and conditions and upon acceptance of any limitations described herein.

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1.0 TAB 1: TRANSMITTAL LETTER AND SIGNED SF 1449 FORMS (BPA AND TASK ORDERS 1 AND 2) AND AMENDMENTS 1

2.0 TAB 2: MCKINSEY'S GSA SCHEDULE 1

3.0 TAB 3: EXCEPTIONS 14

4.0 TAB 4: ORAL PRESENTATION 15

APPENDIX A: KEY PERSONNEL RESUMES AND LETTERS OF COMMITMENT A-1

Richard Elder BPA Manager, Strategy (TO 1) Project Manager A-2

Kevin Neher Airports (TO 2) Project Manager A-6

APPENDIX B: SUBCONTRACTOR LETTERS OF COMMITMENT B-1

Use or disclosure of information contained on this page is subject to the restrictions on the title page.

1.0 TAB 1: TRANSMITTAL LETTER AND SIGNED SF 1449 FORMS (BPA AND TASK ORDERS 1 AND 2) AND AMENDMENTS

We have provided our transmittal letter on the following pages. We have attached the completed, signed SF 1449 forms for the BPA and Task Orders 1 and 2 and the Request for Quote (RFQ) amendments separately.

Use or disclosure of information contained on this page is subject to the restrictions on the title page.

McKinsey&Company

June 23, 2017

(b) (6), (b) (7)(C)

U.S. Customs and Border Protection
1331 Pennsylvania Avenue, NW
Washington, DC 20229

Subject: Integrated Consulting Services and Integrated Business Program Support Services, RFQ #HSBP17QPAC and Amendments 0001, 0002, 0003, 0004, 0005, 0006

(b) (6), (b) (7)(C)

Please find attached McKinsey & Company, Inc. Washington D.C.'s (McKinsey) proposal response to the U.S. Customs and Border Protection (CBP) Request for Quote (RFQ) #HSBP17QPAC. We look forward to the potential to serve CBP through this Blanket Purchase Agreement (BPA) under the Professional Services Schedule (00CORP).

As the largest law enforcement agency in the United States, CBP is facing increasingly complex mission requirements. CBP is responsible for safeguarding America's borders—one of the highest profile current issues—and protecting the public from dangerous people and materials while enabling legitimate trade and travel to enhance economic competitiveness. These responsibilities must be accomplished in the midst of an evolving threat landscape and persistent budgetary pressure. We have helped our public and private sector clients navigate similar challenging operating environments. By selecting McKinsey, CBP gains a partner who provides the following:

- **Best value firm fixed price—McKinsey offers a compelling** (b) (4) (b) (4) **off our published GSA PSS rates** as well as proposed volume discounts on future BPA task orders.

- **An integrated, cross-functional approach—proven in hundreds of similar client settings—to help CBP achieve impact across a broad range of initiatives.** We bring a unique blend of cutting-edge capabilities and world class "traditional" expertise. We have proprietary tools, methodologies, and unique centers of design, such as McKinsey's LUNAR industrial design group. Our integrated approach differs from many consulting firms that typically deploy specialists in a specific area and enables us to co-develop innovative solutions with CBP.

- **Extensive experience managing multi-year, multi-million dollar BPAs of similar scope and complexity.** Our senior leadership and consultants have personally led similar high impact efforts. (b) (6) a McKinsey Senior Partner and our proposed BPA Manager, has led McKinsey's work with Federal Defense and Intelligence agencies and brings global private sector strategy work with aerospace and defense stakeholders. We deliver integrated consulting services through firm

fixed price task orders under BPAs and IDIQs, currently serve as a prime contractor on 10 BPAs in the public sector. Our firm fixed price method imputes all risk of delivery to McKinsey and away from the Government.

- **Proven track record serving similarly large and complex enterprises facing dynamic policy environments—in the public and private sectors—including national security clients and international customs authorities.** We offer CBP new insights and capabilities that draw upon our experience serving 93 of the world's top 100 corporations as well as 12 of the 15 US Cabinet departments. We have worked with US Federal intelligence clients to architect and implement organizational transformations. Unlike large accounting firms that have consulting divisions spanning a range of services (including staff augmentation), we focus on helping our clients solve their most important challenges.

- **McKinsey Partners spend real time on engagements and involvement as active problem-solvers, not administrators.** Some firms that serve the Government have partner to associate ratios that range from 1:50-1:200. Other firms may bring in senior resources (e.g., retired senior government executives) only after something has gone wrong, or the engagement is off-track. Our way of working is different. At McKinsey, our partner: associate ratio is 1:6. Simply stated, this level of senior management consulting yields different results.

- **Unbiased counsel focused exclusively on advancing CBP's mission.** McKinsey brings credibility as an objective advisor that provides direct, fact-based recommendations. A BPA vendor should not have any financial interest in the outcome of strategic decisions or in downstream system implementations, including major partnerships that could create a potential organizational conflict of interest.

Per the Phase II instructions, we have provided the following for this submission:

- Volume I, Tab 1 – Transmittal Letter with signed and completed SF 1449 for the BPA and Task Orders 1 and 2, and signed RFQ amendments *(PDF files attached separately)*
- Volume I, Tab 2 – Copy of McKinsey's GSA Schedule
- Volume I, Tab 3 – Exceptions
- Technical (Factor 1), Tab 4 – MS PowerPoint oral presentation
- Attachment A – Key personnel resumes and letters of certification
- Attachment B – Subcontractor letters of certification
- Volume III – Price Proposal for BPA and two (2) Task Orders (Factor 4) *(MS Excel files, attached separately)*

If you have any questions about our quote response, please do not hesitate to contact our points of contact:

Technical Point of Contact	Contractual Point of Contact
(b) (6) [redacted]	[redacted]

We are inspired by the courageous men and women at CBP who serve our nation, and would be honored to provide integrated consulting services to CBP.

Sincerely,

(b) (6) [redacted]

2.0 TAB 2: MCKINSEY'S GSA SCHEDULE

Per RFQ Section IV.2.2, we have provided a copy of our GSA schedule on the following pages.

Use or disclosure of information contained on this page is subject to the restrictions on the title page.

GENERAL SERVICES ADMINISTRATION
FEDERAL SUPPLY SERVICES

Authorized Federal Supply Schedule Pricelist for McKinsey & Company, Inc. Washington, D.C.

GENERAL SERVICES ADMINISTRATION INFORMATION

Effective Date: January 27, 2017

Online access to contract ordering information, terms and conditions, up-to-date pricing, and the option to create an electronic delivery order are available through GSA Advantage!™, a menu-driven database system. The Internet address for GSA Advantage!™ is: http://www.gsa.gov

Schedule title: Professional Services Schedule (PSS) 00CORP
Special item numbers (SINs) offered:

874-1 and 874-1RC, Integrated Consulting Services

520-3 and 520-3RC, Due Diligence and Support Services

520-21 and 520-21RC, Program Management Services

541-4A and 541-4A RC, Market Research and Analysis

874-6 and 874-6RC, Acquisition Management Support

874-7 and 874-7RC, Integrated Business Program Support Services

874-501 and 874-501RC, Supply and Value Chain Management

C595-21 and C595-21RC, Human Resource Services

C132-51 and C132-51RC, Information Technology Professional Services

Contract number: GS-10F-0118S

For more information on ordering from Federal Supply Schedules, click on the FSS Schedules button at http://www.fss.gsa.gov

Contract period: January 27, 2006, to January 26, 2021

Contractor's name and contact information:

McKinsey & Company, Inc. Washington D.C. ("McKinsey")

1200 19th St NW, Suite 1100, Washington, DC 20036;
phone (202) 662-3300; fax (202) 662-3175

Type of contractor: Large

1

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CUSTOMER INFORMATION

1a. Awarded SIN:

SIN number offered	SIN Description
874-1 (Recovery 874-1RC)	Integrated consulting services
520-3 (Recovery 520-3RC)	Due Diligence and Support Services
520-21 (Recovery 520-21RC)	Program Management Services
541-4A (Recovery 541-4A RC)	Market Research and Analysis
874-6 (Recovery 874-6RC)	Acquisition Management Support
874-7 (Recovery 874-7RC)	Integrated Business Program Support Services
874-501 (Recovery 874-501RC)	Supply and Value Chain Management
C595-21 (Recovery C595-21RC)	Human Resource Services
C132-51 (Recovery C132-51	Information Technology Professional Services

About McKinsey: McKinsey is management consulting firm, deeply committed to helping institutions in the private, public and social sectors achieve lasting success. We seek to serve as our clients' most trusted external advisor, to help them solve their most pressing problems, and to enable them to achieve their primary objectives. We bring expertise to clients on the full set of strategic, organizational, operational, and business technology challenges they face.

McKinsey seamlessly integrates resources from across different functions, sectors and geographies to fulfill our clients' objectives. Such cross-pollination of expertise distinctively enables McKinsey to deploy leading private sector consulting practitioners, as well as those with deep government expertise, on engagements for the federal government.

McKinsey offers Integrated Consulting Services in seven (7) different cross-functional team configurations, all of which seamlessly integrate the full set of our firm's capabilities. For every engagement, we assemble a team with the most appropriate experience and expertise. Each of our teams is Partner-led and includes a full-time complement of client service professionals. Partners are our most senior leaders, and they lead the analysis and development of recommendations on all of our engagements.

Our team configurations vary primarily in the number of Partners and full-time consultants and client service professionals. Larger teams are deployed for engagements that are more complex, have more work streams, or require a faster turnaround, while our smaller teams are more typically deployed for implementation support or single-issue work streams. We can also deploy concurrent teams, or scale the team size up or down, dependent on a client's needs.

For each of the teams described below, the Partners and full-time client service consulting team may draw upon our deep expertise, industry-leading capabilities and global reach to help an agency or department meet its objectives. Our firm has expertise in more than 150 industry and functional areas, drawn from work across 60 countries, and supported by substantial research and knowledge development resources. We continually renew our industry and functional knowledge and – in fact – invest more in research than most leading business schools. Access to this expertise enables government clients to solve problems more quickly; they can access best practices, benchmarks, and management practices that have been proven elsewhere.

We offer each of our seven integrated team service offerings at all-inclusive, firm-fixed price weekly rates – both to the government and to our private sector clients. We work on this basis

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because we – and our clients – believe it offers the best value for the work we perform. This pricing approach encourages efficiency, affords price certainty and moves potential risk away from our clients and onto us. We believe our clients should know from the outset what their level of investment will be, and we are committed to delivering their expected results at the agreed-upon price.

1b. Awarded GSA Pricing:

Below is McKinsey's team based pricing for the services awarded under the SINs shown above. Awarded prices include the (b) (4) IFF.

Service	GSA Weekly Price
Team A	(b) (4)
Team B	
Team C	
Team D	
Team E	
Leadership Counseling	

Service	GSA Fixed Price
Management Workshop	(b) (4)

Economic Price Adjustments:

In accordance with GSA clause I-FSS-969(b)(1) Economic Price Adjustment – FSS Multiple Award Schedules, the above price list has an approved annual escalation rate for all services and weekly prices, which shall be automatically effective on the dates shown:

- January 27, 2018 and after: Fixed rate annual escalation of (b) (4)

1c. Labor category descriptions: See Appendix A

1d. Hourly rates: not applicable

2. Maximum order: (b) (4)

3. Minimum order:

4. Geographic coverage: domestic and overseas

5. Point(s) of production (city, county, and state or foreign country): not applicable

6. Discount from list prices: discounts are reflected in the prices shown in 1b

7. Quantity discount(s): none

8. Prompt payment terms: none

9a. Credit card acceptance: McKinsey will accept payment by government purchase card for purchases at or below the micro-purchase threshold of (b) (4)

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9b. Credit card acceptance: McKinsey verifies that the Firm will not accept payment by purchase card in accordance with Clause 552.232-77, Payment by Government Commercial Purchase Card for purchases over the micro-purchase threshold of (b) (4)

10. Foreign items: none

11a. Time of delivery: specified on each Task Order

11b. Expedited delivery: not applicable

11c. Overnight and 2-day delivery: not applicable

11d. Urgent requirements: not applicable

12. FOB points: destination

13a. Ordering address

McKinsey & Company, Inc. Washington D.C.

1200 19th St NW Suite 1100

Washington, DC 20036

(b) (6)

13b. Ordering procedures: for supplies and services, the ordering procedures, information on Blanket Purchase Agreements (BPAs), and a sample BPA can be found at the GSA/FSS Schedule homepage (fss.gsa.gov/schedules)

14. Payment information:

By wire transfer payment

McKinsey & Company, Inc. – United States Citibank N.A.

(b) (6)

By check

McKinsey & Company, Inc. – United States

P.O. Box 7247-7255 Philadelphia, PA 19170-7255

Federal tax ID# (b) (3) (A)

15. Warranty: not applicable

16. Export packing changes: not applicable

17. Terms and conditions of government purchase card acceptance (any thresholds above the micro-purchase level): not applicable

18. Terms and conditions of rental, maintenance, and repair: not applicable

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19. Terms and conditions of installation: not applicable

20a. Terms and conditions of repairs parts indicating date of parts price lists and any discounts from list prices: not applicable

20b. Terms and conditions for any other services: not applicable

21. List of service and distribution points: not applicable

22. List of participating dealers: not applicable

23. Preventive maintenance: not applicable

24a. Special attributes such as environmental attributes (e.g., recycled content, energy efficiency, and/or reduced pollutants): not applicable

24b. Section 508 compliance: not applicable

25. Data Universal Number (DUNS): 82-522-9318

26. Registration in System for Award Management (SAM) database: McKinsey & Company, Inc. Washington D.C. is registered in the SAM database.

27. Uncompensated overtime: not used for offered services

28. Service Contract Act: The Service Contract Act (SCA) is applicable to this contract as it applies to the entire Schedule and all services provided. While no specific labor categories have been identified as being subject to SCA due to exemptions for professional employees (FAR 22.1101, 22.1102 and 29 CFR 541.300), this contract still maintains the provisions and protections for SCA eligible labor categories. If and / or when the contractor adds SCA labor categories / employees to the contract through the modification process, the contractor must inform the CO and establish a SCA matrix identifying the GSA labor category titles, the occupational code, SCA labor category titles and the applicable WD number. Failure to do so may result in cancellation of the contract.

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TEAM SERVICE DESCRIPTIONS:

SIN	Team Name	Team Description
874-1 520-3 520-21 541-4A 874-6 874-7 874-501 C595-21 C132-51	**Team A**	**Team A integrates seven distinctive capabilities into a seamless offering:** • Committed leadership by two McKinsey Partners/Senior Partners (part-time), who are accountable for delivery, actively manage the engagement, and lead problem solving with the team • A full-time team of one Engagement Manager and one Associate or Business Analyst, who lead the day-to-day work (e.g., interviews and data collection, analysis, problem solving, communications). The full-time team draws upon the following resources, capabilities, and expertise as much as needed to deliver superior results to the client • Content experts (part-time), who bring world-class expertise and experience on relevant industry and functional topics • Proprietary knowledge and tools that help our clients solve problems more efficiently and effectively • Support for new solutions and advanced analytic techniques • A research team that is available around-the-clock to answer clients' questions about issues such as best practices or important trends • World-class graphics support

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SIN	Team Name	Team Description
874-1 520-3 520-21 541-4A 874-6 874-7 874-501 C595-21 C132-51	Team B	**Team B integrates seven distinctive capabilities into a seamless offering:** • Committed leadership by two McKinsey Partners/Senior Partners (part-time), who are accountable for delivery, actively manage the engagement, and lead problem solving with the team • A full-time team of one Engagement Manager and two Associates or Business Analysts, who lead the day- to-day work (e.g., interviews and data collection, analysis, problem solving, communications). The full-time team draws upon the following resources, capabilities, and expertise as much as needed to deliver superior results to the client • Content experts (part-time), who bring world-class expertise and experience on relevant industry and functional topics • Proprietary knowledge and tools that help our clients solve problems more efficiently and effectively • Support for new solutions and advanced analytic techniques • A research team that is available around-the-clock to answer clients' questions about issues such as best practices or important trends • World-class graphics support

Use or disclosure of information contained on this page is subject to the restrictions on the title page.

SIN	Team Name	Team Description
874-1 520-3 520-21 541-4A 874-6 874-7 874-501 C595-21 C132-51	**Team C**	**Team C integrates seven distinctive capabilities into a seamless offering:** • Committed leadership by at least two and sometimes three McKinsey Partners/Senior Partners (part-time), who are accountable for delivery, actively manage the engagement, and lead problem solving with the team • A full-time team of one Engagement Manager and three Associates or Business Analysts, who lead the day-to-day work (e.g., interviews and data collection, analysis, problem solving, communications). The full-time team draws upon the following resources, capabilities, and expertise as much as needed to deliver superior results to the client • Content experts (part-time), who bring world-class expertise and experience on relevant industry and functional topics • Proprietary knowledge and tools that help our clients solve problems more efficiently and effectively • Support for new solutions and advanced analytic techniques • A research team that is available around-the-clock to answer clients' questions about issues such as best practices or important trends • World-class graphics support

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SIN	Team Name	Team Description
874-1 520-3 520-21 541-4A 874-6 874-7 874-501 C595-21 C132-51	**Team D**	**Team D integrates seven distinctive capabilities into a seamless offering:** • Committed leadership by at least two and sometimes three McKinsey Partners/Senior Partners (part-time), who are accountable for delivery, actively manage the engagement, and lead problem solving with the team. • A full-time team of one Engagement Manager and four Associates or Business Analysts, who lead the day-to-day work (e.g., interviews and data collection, analysis, problem solving, communications). The full-time team draws upon the following resources, capabilities, and expertise as much as needed to deliver superior results to the client • Content experts (part-time), who bring world-class expertise and experience on relevant industry and functional topics • Proprietary knowledge and tools that help our clients solve problems more efficiently and effectively • Support for new solutions and advanced analytic techniques • A research team that is available around-the-clock to answer clients' questions about issues such as best practices or important trends • World-class graphics support

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SIN	Team Name	Team Description
874-1 520-3 520-21 541-4A 874-6 874-7 874-501 C595-21 C132-51	**Team E**	**Team E integrates seven distinctive capabilities into a seamless offering:** • Committed leadership by one McKinsey Partner (part-time), who is accountable for delivery, actively manages the engagement, and leads problem solving with the team • A full-time team of one Associate or Business Analyst, who leads the day- to-day work (e.g., interviews and data collection, analysis, problem solving, communications). The full-time Associate or Business Analyst draws upon the following resources, capabilities, and expertise as much as needed to deliver superior results to the client • Content experts (part-time), who bring world-class expertise and experience on relevant industry and functional topics • Proprietary knowledge and tools that help our clients solve problems more efficiently and effectively • Support for new solutions and advanced analytic techniques • A research team that is available around-the-clock to answer clients' questions about issues such as best practices or important trends • World-class graphics support

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SIN	Team Name	Team Description
874-1 520-3 520-21 541-4A 874-6 874-7 874-501 C595-21 C132-51	**Leadership counseling**	**Leadership counseling integrates five distinctive capabilities into a seamless offering:** • Committed leadership by one McKinsey Partner (part-time), who is accountable for delivery and actively manages the engagement • Content experts (part-time), who bring world-class expertise and experience on relevant industry and functional topics • Proprietary knowledge and tools that help our clients solve problems more efficiently and effectively • Support for new solutions and advanced analytic techniques • A research team that is available around-the-clock to answer clients' questions about issues such as best practices or important trends

SIN	Team Name	Team Description
874-1 520-3 520-21 541-4A 874-6 874-7 874-501 C595-21 C132-51	**Management workshop**	**Management workshop includes:** • A Management Workshop is a one-day event led by two consultants, who meet with a group of clients to help them address a top management issue, understand industry trends, or build their skills. The consultants prepare materials, such as data analysis, interview summaries, market intelligence, best practices, and management options, to help ensure that the workshop is content-rich and fact-based. A Management Workshop includes a minimum of 4 and a maximum of 40 clients

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Appendix A: Labor Category Descriptions

Qualifications overview: McKinsey is widely known as the world's leading consulting firm – in large part because of the exceptional quality of our people. We recruit consultants with a diverse range of backgrounds, including high performers from undergraduate and graduate schools (including PhD, MBA, and JD programs among others), as well as entrepreneurs, scientists, government leaders, and deep industry experts. Approximately 85 percent of consultants hold advanced degrees.

We also invest heavily in developing our people throughout their careers, so that they constantly build their skills and capabilities. That means that all of the personnel we deploy to our engagements have been not only rigorously screened during the hiring process, but also intensively trained, so that they will hit the ground running on the first day of every engagement. We track each consultant's expertise, so that we know that we are delivering the right complement of resources to an agency to meet its needs.

As a meritocracy, we remain committed to hiring, promoting, and retaining the best of the best, rather than relying primarily on tenure in role, to ensure that we give our clients the right people to fulfill their objectives.

Personnel category	Education	Experience
Senior Partner	Most Senior Partners have a graduate degree from a leading academic institution. At a minimum, Senior Partners have a Bachelor's degree.	• Senior Partners typically have 20+ years of experience. • At a minimum, Senior Partners have 10 years of experience.
Partner	Most Partners have a graduate degree from a leading academic institution. At a minimum, Partners have a Bachelor's degree.	• Partners typically have 9-15 years of experience. • At a minimum, Partners have 5 years of experience.
Engagement Manager	Most Engagement Managers have a graduate degree from a leading academic institution. At a minimum, Engagement Managers have a Bachelor's degree.	• Engagement Managers typically have 5-7 years of experience. • At a minimum, Engagement Managers have 2 years of experience.
Associate	Most Associates have a graduate degree from a leading academic institution. At a minimum, Associates have a Bachelor's degree.	• Associates typically have 3-5 years of experience. • At a minimum, Associates have 1 year of experience.
Business Analyst	At a minimum, Business Analysts have a Bachelor's degree.	• Business Analysts typically have 0-2 years of experience. • At a minimum, Business Analysts have 0 years of experience and are recent college graduates.

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3.0 TAB 3: EXCEPTIONS

McKinsey & Company, Inc. Washington D.C. (McKinsey) confirms that it agrees to all clauses, terms, or conditions (including all BPA Order requirements) as shown in the solicitation.

In order to establish our response to CBP, McKinsey has made the following assumptions and has provided them for CBP's review:

- McKinsey's work for CBP is confidential and intended for CBP's internal use only. In order to promote true neutrality on issues, provide an environment for uncensored guidance for our clients, ensure compliance with our contract confidentiality requirements, and better empower our clients, McKinsey does not advocate, present findings, or consent to public references in any public meeting, writing, or other public forum. Consistent with this, McKinsey does not make public client names, client materials or reports prepared for clients without their prior written permission. In consideration for its services, CBP agrees not to use McKinsey's name or refer to McKinsey's work outside its organization without McKinsey's prior written permission. CBP also understands that McKinsey will not advocate, present findings or speak on the CBP's behalf in any public forum without specific written authorization and agreement.

- McKinsey's timely performance at the proposed firm fixed price strictly relies and is contingent upon CBP providing any and all necessary data, information, and access to personnel in a timely fashion. CBP understands that any delays in the provision of necessary data, information, and personnel may result in corresponding schedule delays and an equitable adjustment of the proposed price. As such, timely provision of the aforementioned resources is essential.

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4.0 TAB 4: ORAL PRESENTATION

Per RFQ Section IV.2.2, we have provided our oral presentation on the following pages.

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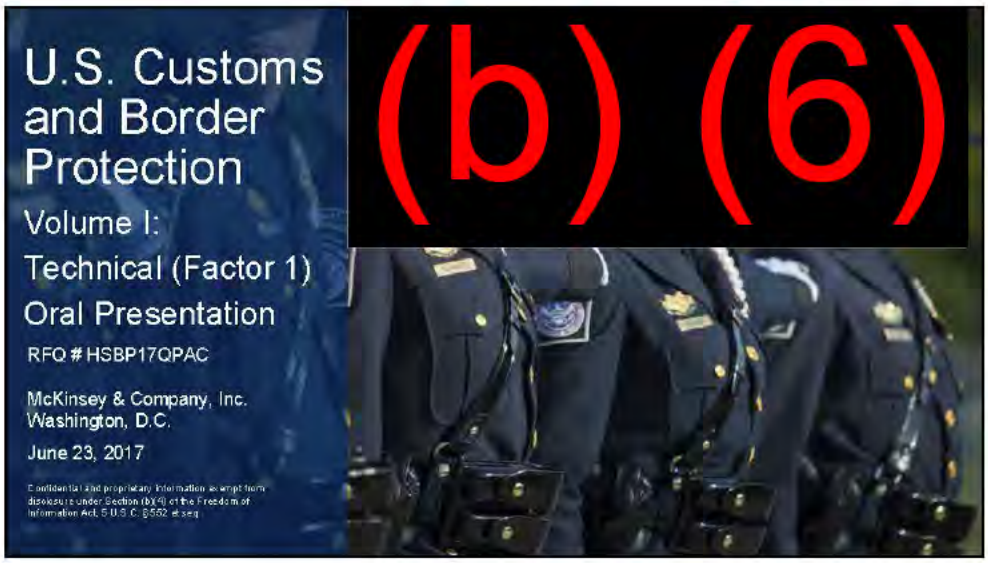
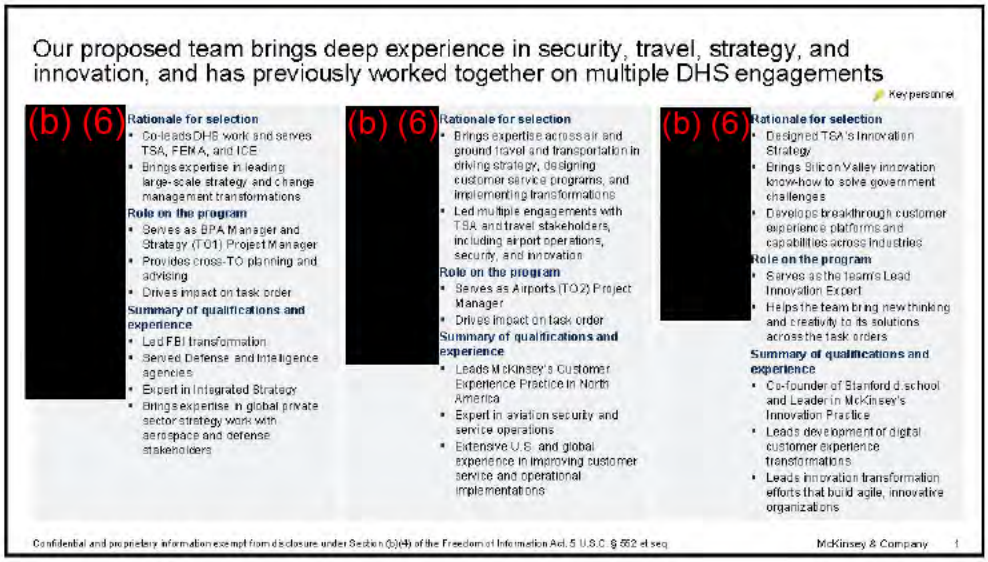
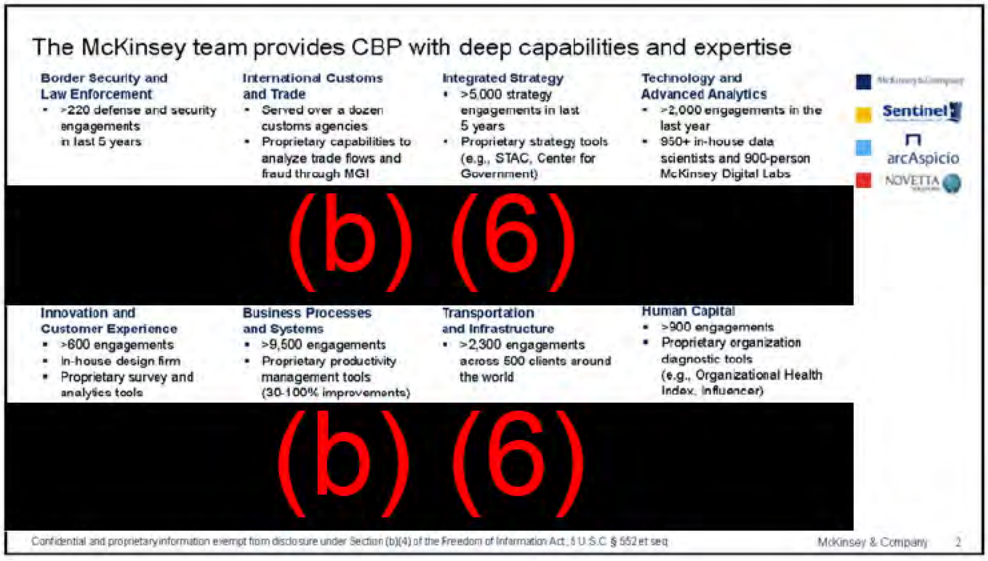

U.S. Customs and Border Protection
Volume I:
Technical (Factor 1)
Oral Presentation
RFQ # HSBP17QPAC
McKinsey & Company, Inc.
Washington, D.C.
June 23, 2017
Confidential and proprietary information exempt from disclosure under Section (b)(4) of the Freedom of Information Act, 5 U.S.C. §552 et seq
(b) (6)


Our proposed team brings deep experience in security, travel, strategy, and innovation, and has previously worked together on multiple DHS engagements
Key personnel
(b) (6)
Rationale for selection
Co-leads DHS work and serves TSA, FEMA, and ICE
Brings expertise in leading large-scale strategy and change management transformations
Role on the program
Serves as BPA Manager and Strategy (TO1) Project Manager
Provides cross-TO planning and advising
Drives impact on task order
Summary of qualifications and experience
Led FBI transformation
Served Defense and Intelligence agencies
Expert in Integrated Strategy
Brings expertise in global private sector strategy work with aerospace and defense stakeholders
(b) (6)
Rationale for selection
Brings expertise across air and ground travel and transportation in driving strategy, designing customer service programs, and implementing transformations
Led multiple engagements with TSA and travel stakeholders, including airport operations, security, and innovation
Role on the program
Serves as Airports (TO2) Project Manager
Drives impact on task order
Summary of qualifications and experience
Leads McKinsey's Customer Experience Practice in North America
Expert in aviation security and service operations
Extensive U.S. and global experience in improving customer service and operational implementations
(b) (6)
Rationale for selection
Designed TSA's Innovation Strategy
Brings Silicon Valley innovation know-how to solve government challenges
Develops breakthrough customer experience platforms and capabilities across industries
Role on the program
Serves as the team's Lead Innovation Expert
Helps the team bring new thinking and creativity to its solutions across the task orders
Summary of qualifications and experience
Co-founder of Stanford d.school and Leader in McKinsey's Innovation Practice
Leads development of digital customer experience transformations
Leads innovation transformation efforts that build agile, innovative organizations
Confidential and proprietary information exempt from disclosure under Section (b)(4) of the Freedom of Information Act, 5 U.S.C. § 552 et seq
McKinsey & Company
1


The McKinsey team provides CBP with deep capabilities and expertise
Border Security and Law Enforcement
• >220 defense and security engagements in last 5 years
International Customs and Trade
• Served over a dozen customs agencies
• Proprietary capabilities to analyze trade flows and fraud through MGI
Integrated Strategy
• >5,000 strategy engagements in last 5 years
• Proprietary strategy tools (e.g., STAC, Center for Government)
Technology and Advanced Analytics
• >2,000 engagements in the last year
• 950+ in-house data scientists and 900-person McKinsey Digital Labs
Sentinel
arcAspicio
NOVETTA
(b) (6)
Innovation and Customer Experience
• >600 engagements
• In-house design firm
• Proprietary survey and analytics tools
Business Processes and Systems
• >9,500 engagements
• Proprietary productivity management tools (30-100% improvements)
Transportation and Infrastructure
• >2,300 engagements across 500 clients around the world
Human Capital
• >900 engagements
• Proprietary organization diagnostic tools (e.g., Organizational Health Index, Influencer)
(b) (6)
Confidential and proprietary information exempt from disclosure under Section (b)(4) of the Freedom of Information Act, 5 U.S.C § 552 et seq
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CBP is undertaking an exciting and ambitious agenda
Our understanding of CBP's priorities
• Anticipate the threat landscape to disrupt terrorist activities, transnational organized crime, and insider threats
– Expand pre-clearance of passengers and cargo at international locations to move threats away from the United States border
• Foster and demonstrate innovation for emerging technology capabilities, including in airport security
– Implement protocols to improve security and traveler experience (e.g., biometric "exit" systems)
• Enhance morale and retention across the workforce
– Expand border patrol forces without sacrificing quality
• Deepen domestic and international partnerships to improve information sharing and intelligence
What success looks like
• World-class operating performance
– Increased security and passenger experience
– Best-in-Government capabilities with innovation, technology, and advanced analytics
• Agile organization model adaptive to new threats and operating challenges
• Energized and engaged employees
• Aligned internal and external stakeholders
Confidential and proprietary information exempt from disclosure under Section (b)(4) of the Freedom of Information Act, 5 U.S.C § 552 et seq
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McKinsey provides a comprehensive and integrated approach to solve the stated technical problems

	Technical problem	Advantage of McKinsey's approach	Pages in presentation
1	Demonstrate approach for adaptable, impactful, and executable solutions	• Integrated, cross-functional approach with enforcement and security expertise to help CBP achieve broad impact • Distinctive proprietary tools to drive strategy and operational excellence (e.g., Organizational Health Index, Customer Experience research)	5-17
2	Bring a spirit of innovation and creative problem solving	• Deep innovation and design expertise, as well as access to leading-edge technology disruptors and innovators in Silicon Valley (e.g., Stanford d.school) • Expert-level problem solving with core team and in-house design firm LUNAR	18-19
3	Define expected outcomes from successful completion of task order engagements	• Proven track record in similar large and complex enterprises • Strong focus on change management from Day 1 (e.g., setting up cross-functional teams to enable the TO1 strategy)	20-21
4	Develop a plan that incorporates various internal and external stakeholder perspectives	• Robust existing relationships with CBP stakeholders such as domestic and international airports, foreign carriers, ports, border security and law enforcement agencies, and technology innovators in Silicon Valley • Innovation lab to engage and innovate with stakeholders	22-23
5	Use and protect data shared by CBP	• Strict client confidentiality and robust internal security • All consultants trained and accredited on risk and security, with 100% compliance	24
6	Ensure deliverables are accurate and on-time, and integrate subcontractors into the work process	• Our Partners spend real time on engagements and are active problem-solvers, not administrators • Unbiased counsel focused exclusively on advancing CBP's mission • Established relationships with industry-leading partners (Novetta, Sentinel, arcAspicio)	25-28

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TECHNICAL PROBLEM 1

McKinsey will collaborate with CBP to deliver adaptable, impactful, and executable solutions

Our team brings industry-leading capabilities...

An integrated, cross-functional approach: We bring a unique blend of cutting-edge capabilities and traditional expertise through proprietary tools, methodologies, and design centers

Extensive experience managing BPAs: We serve as prime contractors on various public sector BPAs (e.g., TSA, FEMA). We use a firm fixed price model that imputes delivery risk to McKinsey and away from the government

Proven track record serving the world's largest and most complex enterprises: We serve 93 of the top 100 corporations and 12 of 15 U.S. Cabinet departments. Our "One Firm" approach provides experts with both private sector and government expertise

Active problem solving by senior experts: We maintain a Partner-to-Associate ratio of 1:6 (other firms have ratios of 1:50 to 1:200). Our approach gives our clients real access to our senior management consultants

Unbiased counsel focused on CBP's mission: Our leadership brings direct, fact-based recommendations without financial interests in the outcomes

...tailored to address CBP's task orders

Task Order 1: Assessment and Strategic Approach

Our approach to Task Order 1 will deliver a CBP-wide strategy, including a robust baseline summary of CBP performance, an identification of strategic gaps between current state and future needs, and a prioritized portfolio of operational and organizational initiatives

Task Order 2: Management Support Services for International Air Travel

Our approach to Task Order 2 will yield a targeted strategy for reimagining international air travel, identifying promising technologies and analytical methods to improve the speed, security, and travel experience of air passengers

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TECHNICAL PROBLEM 1

We have designed a tailored approach to address TO1

(#) Formal RFP Deliverable

	Phase 1 Diagnose: Baseline current state of operational performance and align on aspirations (Weeks 0 - 4)	Phase 2 Design: Develop the Portfolio of Initiatives and conduct scenario planning (Weeks 5 - 8)	Phase 3 Deliver: Finalize strategic plan and develop change management approach (Weeks 9 - 12)
Analyses and Activities	• **Collect qualitative and quantitative data on the operational baseline,** including four priority areas: – **Assess technology**, leveraging proprietary Analytics Quotient and Horizon 360 tools and assessing disruptive technology trends – **Review operations,** conducting site visits and assessing current performance through benchmarks and existing scorecards – **Assess risk management** using proprietary Enterprise Risk Management framework – **Review internal and external stakeholder interactions,** conducting interviews, focus groups, and surveys (e.g., McKinsey's Organizational Health Index, Influencer) • **Establish cross-functional working teams** across four areas – technology, operations, risk management, and stakeholder engagement • **Convene leadership to align on the aspiration** that defines success • **Establish the set of goals and objectives** with well-defined, synchronized metrics and targets • **Assess gaps** between operational baseline and future mission imperatives and outcomes	• **Leverage McKinsey Global Institute (MGI)** proprietary research to review macro factors that will shape future trends • **Generate a list of initiatives,** including all existing initiatives and potential new initiatives to meet goals and objectives • **Assess initiatives using McKinsey's Portfolio of Initiatives** framework: – Assess all against time to impact (e.g., 1 year, 2-3 years, 3-8 years) and CBP's level of familiarity • **Conduct scenario planning** to help senior leadership envision plausible future end states and exploit opportunities while avoiding threats – Building on macro factors identified, develop plausible scenarios – Conduct analysis of **initiative performance under different future scenarios** • **Convene leadership** for strategic working sessions on ideation and prioritization of initiatives • **Develop a balanced Portfolio of Initiatives** – Identify initiatives to close capability gaps – Determine potential divestitures	• **Finalize strategic roadmap based on balanced Portfolio of Initiatives** • **Create framework for governance** to drive accountability, including: – Clear and consistent metrics – Cascaded targets and milestones – Regular performance reviews • **Establish clear delineation of decision rights, roles, and responsibilities** – **Assess critical capabilities** required for strategic success, and formulate a plan to acquire them • Establish iterative **strategic management process** grounded in governance and decision-making framework • Develop **communication campaign** to build conviction with internal and external stakeholders – Build a **simple and compelling change story** • **Identify changes, investments, and enhancements** (people, policies and processes, assets and infrastructure) to support the strategy
Deliverables	• (1) Project Kickoff Meeting Minutes • (4) Project Execution Plan • (6) Operational Baseline Summary • Strategic Architecture with Goals and Objectives*	• (7) First draft of Future Enhancements to Close Capability Gaps and Areas for Potential Divestiture • Scenario Planning Outcomes* • Portfolio of Initiatives*	• (7) Final draft of Future Enhancements to Close Capability Gaps and Areas for Potential Divestiture • Change Management Approach*

(2) Weekly Updates, (3) Monthly Project Reports, (5) Stakeholder Engagement Reports

* Additional deliverable recommended by McKinsey

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TECHNICAL PROBLEM 1

NOT EXHAUSTIVE

TO1 Phase 1: We will look at four primary areas to understand CBP's operational baseline

	Example activities	Example framework/tool/output
Technology	▪ Analyze and benchmark with Horizon 360 tool (examines IT efficiency, IT capabilities, digital value, and digital maturity) ▪ Diagnose maturity with Analytics Quotient (AQ™), which evaluates along dimensions critical to analytics success	Analytics Quotient
Operations	▪ Undertake site visits to selected land ports, seaports, and airports ▪ Identify opportunities for lean management improvements (e.g., FEMA Hurricane Sandy claims) ▪ Leverage advanced analytics to visualize KPI data to benchmark and improve processes	Operational performance visualizations
Risk management	▪ Diagnose risk-based resource allocation opportunities using the Enterprise Risk Management framework ▪ Benchmark against other leading public sector organizations to identify areas for improvement	Enterprise Risk Management
Stakeholder interactions	▪ Leverage Organizational Health Index insights and FEVS scores to benchmark CBP's internal interactions ▪ Engage external stakeholders to uncover strengths and opportunities for improvement in stakeholder management	Organizational Health Index

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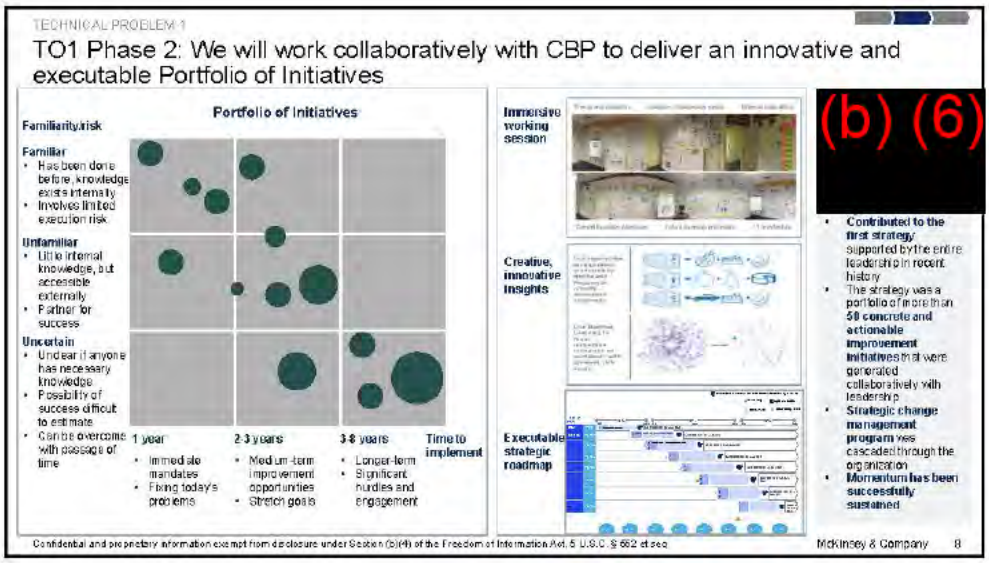
TECHNICAL PROBLEM 1
TO1 Phase 2: We will work collaboratively with CBP to deliver an innovative and executable Portfolio of Initiatives
Portfolio of Initiatives
Familiarity/risk
Familiar
Has been done before, knowledge exists internally
Involves limited execution risk
Unfamiliar
Little internal knowledge, but accessible externally
Partner for success
Uncertain
Unclear if anyone has necessary knowledge
Possibility of success difficult to estimate
Can be overcome with passage of time
1 year
Immediate mandates
Fixing today's problems
2-3 years
Medium-term improvement opportunities
Stretch goals
3-8 years
Longer-term
Significant hurdles and engagement
Time to implement
Immersive working session
Creative, innovative insights
Executable strategic roadmap
(b) (6)
Contributed to the first strategy supported by the entire leadership in recent history
The strategy was a portfolio of more than 50 concrete and actionable improvement initiatives that were generated collaboratively with leadership
Strategic change management program was cascaded through the organization
Momentum has been successfully sustained
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TECHNICAL PROBLEM 1
TO1 Phase 2: We will develop future scenarios in order to test the Portfolio of Initiatives
Overall steps involved in scenario planning
Identify key trends and forces at work
Define possible future uncertainties
Develop divergent but plausible scenarios
Test the Portfolio of Initiatives against scenarios, adjusting as needed
Examples of possible future uncertainties
Accelerated expansion into forward operations vs. greater domestic focus
Rapid growth in air travel vs. stagnation
Spike in terrorist threat vs. increased global security
Global trade increase vs. economic slowdown
Expiration of trade deals vs. free trade expansion
Economic crises along the border vs. growing stability in neighboring states
Example scenarios:
Status quo continues
Diplomatic surge
Technology investment
Illustrative outcomes in example scenarios
Pre-clearance countries
Few
Many
Airports with biometrics
Few
Many
Cargo analytics penetration
Low
High
Multi-layered information sharing
Low
High
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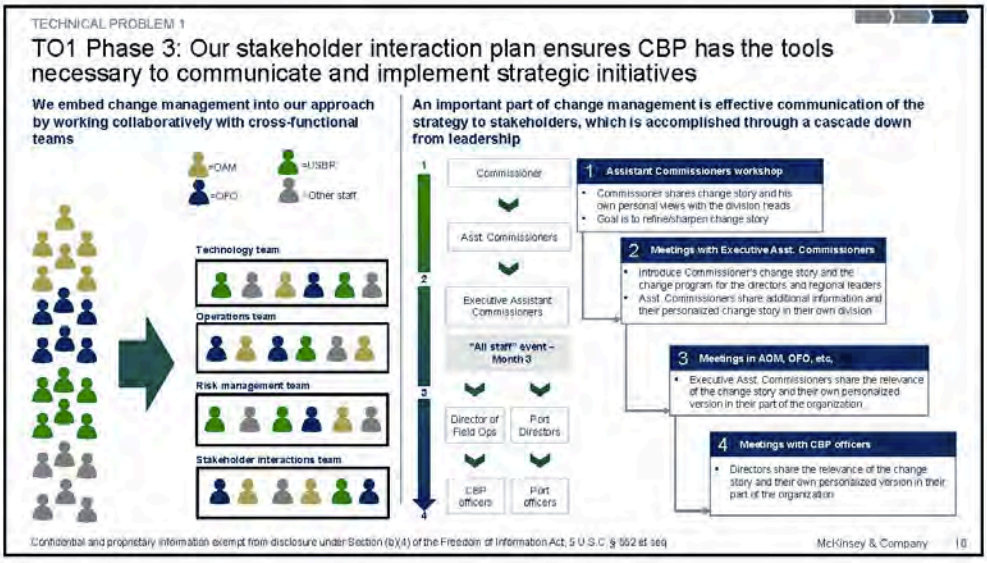
TECHNICAL PROBLEM 1
TO1 Phase 3: Our stakeholder interaction plan ensures CBP has the tools necessary to communicate and implement strategic initiatives
We embed change management into our approach by working collaboratively with cross-functional teams
=OAM
=USBP
=OFO
=Other staff
Technology team
Operations team
Risk management team
Stakeholder interactions team
An important part of change management is effective communication of the strategy to stakeholders, which is accomplished through a cascade down from leadership
Commissioner
Asst. Commissioners
Executive Assistant Commissioners
"All staff" event – Month 3
Director of Field Ops
Port Directors
CBP officers
Port officers
1 Assistant Commissioners workshop
Commissioner shares change story and his own personal views with the division heads
Goal is to refine/sharpen change story
2 Meetings with Executive Asst. Commissioners
Introduce Commissioner's change story and the change program for the directors and regional leaders
Asst. Commissioners share additional information and their personalized change story in their own division
3 Meetings in AOM, OFO, etc.
Executive Asst. Commissioners share the relevance of the change story and their own personalized version in their part of the organization
4 Meetings with CBP officers
Directors share the relevance of the change story and their own personalized version in their part of the organization
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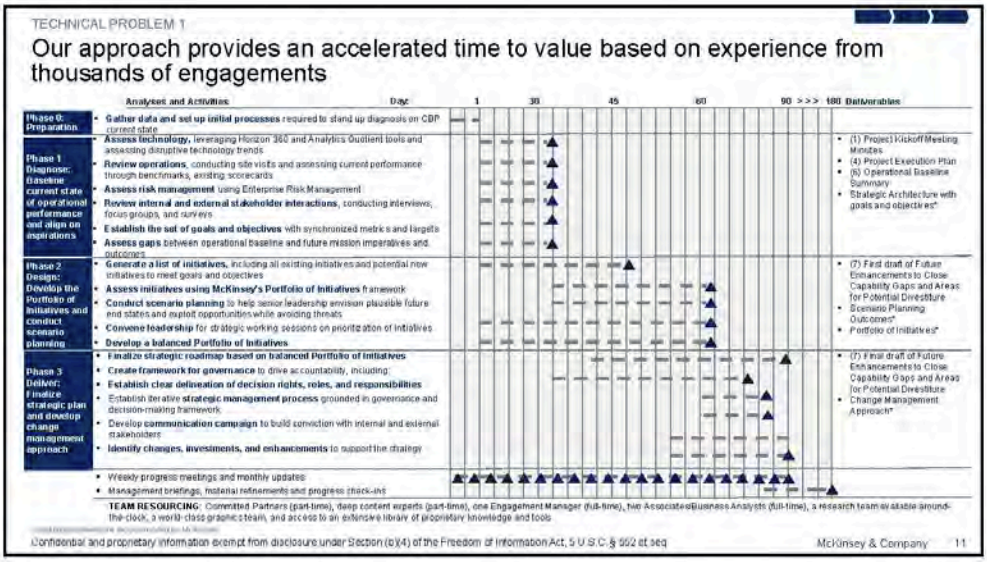
TECHNICAL PROBLEM 1
Our approach provides an accelerated time to value based on experience from thousands of engagements
Analyses and Activities
Day:
1
30
45
60
90 >>> 180
Deliverables
Phase 0: Preparation
Gather data and set up initial processes required to stand up diagnosis on CBP current state
Phase 1 Diagnose: Baseline current state of operational performance and align on aspirations
Assess technology, leveraging Horizon 360 and Analytics Quotient tools and assessing disruptive technology trends
Review operations, conducting site visits and assessing current performance through benchmarks, existing scorecards
Assess risk management using Enterprise Risk Management
Review internal and external stakeholder interactions, conducting interviews, focus groups, and surveys
Establish the set of goals and objectives with synchronized metrics and targets
Assess gaps between operational baseline and future mission imperatives and outcomes
(1) Project Kickoff Meeting Minutes
(4) Project Execution Plan
(5) Operational Baseline Summary
Strategic Architecture with goals and objectives*
Phase 2 Design: Develop the Portfolio of Initiatives and conduct scenario planning
Generate a list of initiatives, including all existing initiatives and potential new initiatives to meet goals and objectives
Assess initiatives using McKinsey's Portfolio of Initiatives framework
Conduct scenario planning to help senior leadership envision plausible future end states and exploit opportunities while avoiding threats
Convene leadership for strategic working sessions on prioritization of initiatives
Develop a balanced Portfolio of Initiatives
(7) First draft of Future Enhancements to Close Capability Gaps and Areas for Potential Divestiture
Scenario Planning Outcomes*
Portfolio of Initiatives*
Phase 3 Deliver: Finalize strategic plan and develop change management approach
Finalize strategic roadmap based on balanced Portfolio of Initiatives
Create framework for governance to drive accountability, including:
Establish clear delineation of decision rights, roles, and responsibilities
Establish iterative strategic management process grounded in governance and decision-making framework
Develop communication campaign to build conviction with internal and external stakeholders
Identify changes, investments, and enhancements to support the strategy
(7) Final draft of Future Enhancements to Close Capability Gaps and Areas for Potential Divestiture
Change Management Approach*
Weekly progress meetings and monthly updates
Management briefings, material refinements and progress check-ins
TEAM RESOURCING: Committed Partners (part-time), deep content experts (part-time), one Engagement Manager (full-time), two Associate/Business Analysts (full-time), a research team on stable around-the-clock, a world-class graphics team, and access to an extensive library of proprietary knowledge and tools
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TECHNICAL PROBLEM 1

(#) Formal RFP Deliverable

Our tailored approach for TO2 provides CBP with a clear roadmap for success

	Phase 1 Diagnose: Baseline current international air travel business processes (Weeks 0 – 6)	Phase 2 Design: Reimagine core business processes and experiences with modern enabling technology (Weeks 7 – 14)	Phase 3 Deliver: Finalize strategic plan and develop change management approach (Weeks 15 – 18)
Analyses and Activities	• Collect and synthesize CBP's existing assessments and initiatives for international air travel • Assess speed, security, and travel experience for key air travel business processes – Understand "voice of passenger" by leveraging existing data, proprietary CX research, social media, and focus groups – Visualize current business processes and data flows – Compare current flows and performance metrics to international experiences and industry best practices to identify efficiency and experience improvements • Assess current use and future applicability of emerging technologies – Map current high-level architecture – Identify potentially suitable technologies (e.g., biometrics, natural language processing), trends, and thought leaders – Use "go-and-see" visits, demos, and proprietary research to assess viability and suitability for each technology	• Launch the CBP Innovation Lab to explore new enabling technologies – Validate use-case concepts for new technology with target users (e.g., passengers, employees) and other stakeholders (e.g., airlines) – Define more granular use-cases for enabling technology (e.g., blockchain to store international trusted traveler data) using "hack-a-thon" format – Iterate ideas with stakeholders • Define aspirational vision and options for future state business processes and experiences based on collaboration with CBP leadership – Identify and prioritize business process improvement opportunities based on timing, impact, and expected risk – Develop 2-3 end-to-end visual options for reimagined experiences, building from individual improvement opportunities • Refine approach for piloting and prototyping, including investments needed	• Finalize strategic roadmap based on balanced Portfolio of Initiatives for CBP, including approaches for: – Future state business process and experiences – Enabling technologies and innovation approaches • Enable execution by ensuring clear governance structure is in place • Finalize plan for an open innovation capability (building from the lab) to engage critical stakeholders (e.g., technology firms, airports, airlines, travel associations) – Summarize lessons learned in creating public and private sector ecosystems (e.g., FAA NextGen) – Develop construct and incentives to work effectively with this ecosystem
Deliverables	• (1) Contractor PM POC Info • (2) Project Kick-off Meeting Minutes • Baseline Assessment of International Air Travel Business Processes and Technology*	• (5) Draft International Air Travel Innovation Strategy, including: – Options for business process improvements – Use cases for new technologies • (6) Market Assessment of Enabling Technologies • Strategic Vision for Future State Business Processes*	• (7) Partner Engagement Strategy • (8) Final International Air Travel Innovation Strategy • Recommendations for Governance Structure to Oversee Execution*

Project Updates (weekly) and Project Reports (monthly (3, 4)

* Additional deliverable recommended by McKinsey

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TECHNICAL PROBLEM 1

TO2 Phase 1: We will create a comprehensive visual baseline of the international air travel experience today

Sources of insight	Potential analyses
Existing CBP assessments and initiatives	▪ **Collect and synthesize** CBP's existing assessment and initiatives for international air travel ▪ **Interview a sample of priority CBP stakeholders** (e.g., airports, airlines, travel associations)
Visualization of current business process and data flows	▪ **Create Value Stream Map** of core international travel processes (e.g., security, check-in) and data flows ▪ **Identify pain points** and challenges based on "voice of the passenger" analysis, international best practices, and CBP stakeholder interviews
Understanding the voice of the passenger in key flows	▪ **Build air traveler archetypes** to inform design phase by conducting in-person interviews and representative passenger focus groups ▪ **Analyze proprietary research** on customer experiences with CBP services
International best practices	▪ **Summarize case examples and learnings** from comparable experiences and improvement efforts internationally (e.g., Canada Border Services Agency modernization effort)

Example analysis from our proprietary U.S. government Customer Experience (CX) survey across 15K customers

- We performed a public sector citizen segmentation that isolated key factors that drive satisfaction with the passport control journey
- Identifying Trusted Traveler Cards as a driver of increased satisfaction can tactically help guide strategic development of the program

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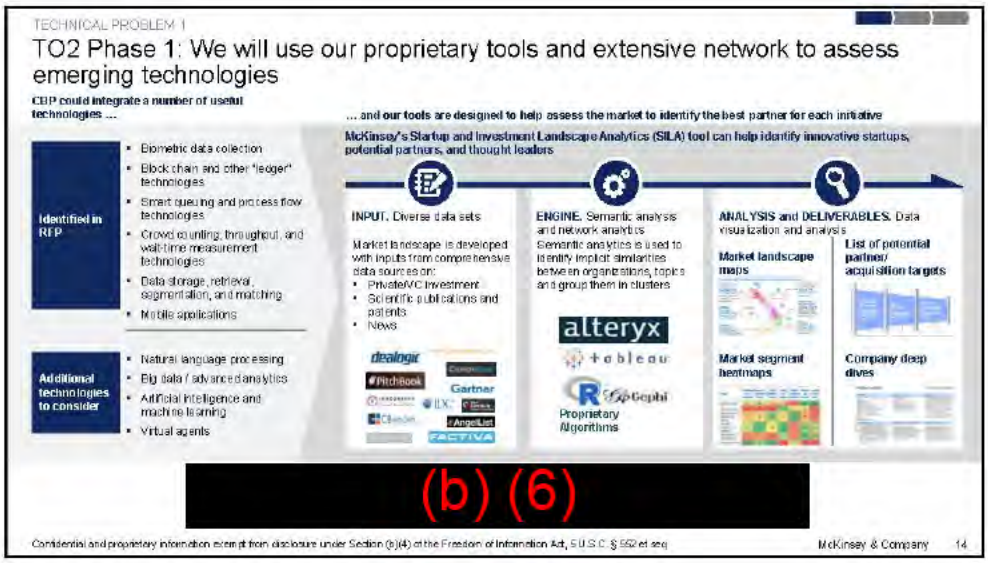
TECHNICAL PROBLEM 1
TO2 Phase 1: We will use our proprietary tools and extensive network to assess emerging technologies
CBP could integrate a number of useful technologies ...
... and our tools are designed to help assess the market to identify the best partner for each initiative
Identified in RFP
Biometric data collection
Block chain and other "ledger" technologies
Smart queuing and process flow technologies
Crowd counting, throughput, and wait-time measurement technologies
Data storage, retrieval, segmentation, and matching
Mobile applications
Additional technologies to consider
Natural language processing
Big data / advance analytics
Artificial intelligence and machine learning
Virtual agents
McKinsey's Startup and Investment Landscape Analytics (SILA) tool can help identify innovative startups, potential partners, and thought leaders
INPUT. Diverse data sets
Market landscape is developed with inputs from comprehensive data sources on:
Private/VC investment
Scientific publications and patents
News
ENGINE. Semantic analysis and network analytics
Semantic analytics is used to identify implicit similarities between organizations, topics and group them in clusters
alteryx
tableau
Gephi
Proprietary Algorithms
ANALYSIS and DELIVERABLES. Data visualization and analysis
Market landscape maps
List of potential partner/ acquisition targets
Market segment heatmaps
Company deep dives
(b) (6)
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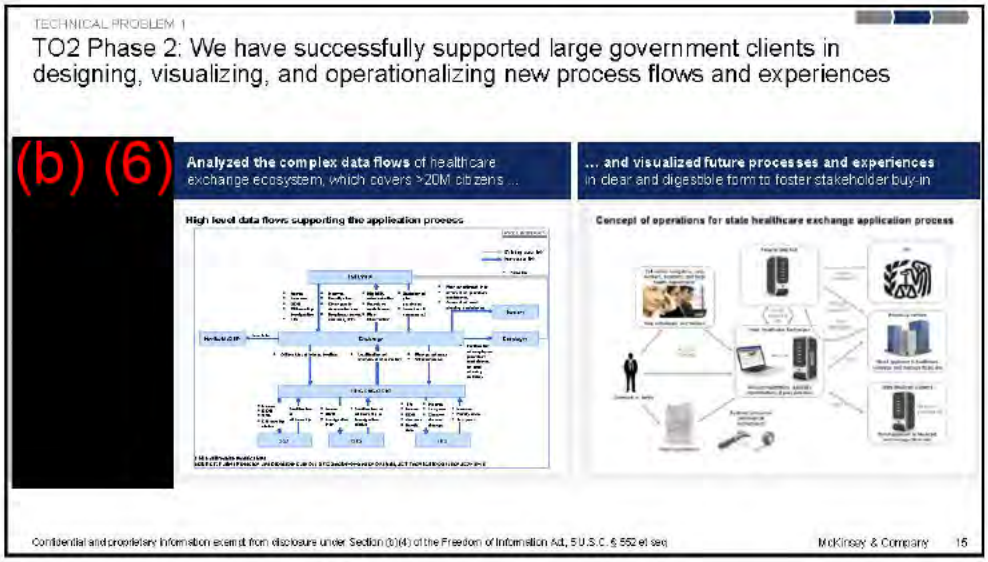
TECHNICAL PROBLEM 1
TO2 Phase 2: We have successfully supported large government clients in designing, visualizing, and operationalizing new process flows and experiences
(b) (6)
Analyzed the complex data flows of healthcare exchange ecosystem, which covers >20M citizens ...
... and visualized future processes and experiences in clear and digestible form to foster stakeholder buy-in
High level data flows supporting the application process
Concept of operations for state healthcare exchange application process
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TECHNICAL PROBLEM 1

TO2 Phase 3: We will launch the CBP Innovation Lab to explore technologies, engage stakeholders, and build innovation capabilities

(b) (6)

Rendering of proposed CBP Innovation Lab

Prototype Area
- Tools to develop quick rapid prototypes
- Cross-functional teams 'sprinting' with on-call executive sponsorship

Collaboration Area
- Multi-functional space to conduct idea generation
- Visualizations of operational performance and future innovations
- Stakeholder outreach and collaboration

- **Designed and built** a model for future checkpoints in LUNAR's innovation hanger
- **Involved more than 25 stakeholders in the innovation hangar** to collaborate on concept development
- Developed a revised checkpoint with the potential to **increase operational efficiency by 20-30%, enhance passenger screening levels, and deliver a step-change increase in customer satisfaction**

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TECHNICAL PROBLEM 1

Our TO2 plan provides an accelerated timeline based on an integrated approach

	Analyses and Activities	Day: 1 30 60 90 120 150 >>> 360	Deliverables
Phase 0: Prepare	• Gather data and set up initial processes required to stand up diagnosis on CBP current state		
Phase 1: Diagnose Baseline current international air travel business processes	• Collect and synthesize CBP's existing assessments and initiatives for int'l air travel • Understand 'voice of passenger' by leveraging existing data, proprietary CX research, social media, and focus groups • Visualize current operations and data flows • Compare current flows and performance metrics to international experiences and industry best practices to identify speed, security, and experience improvements • Map current high-level technology architecture • Identify potentially suitable technologies, trends, and players • Use "go-and-see" visits, demos, and proprietary research to assess viability and suitability for each technology		• (1) Contractor PM POC Info • (2) Project Kickoff Meeting Minutes • Baseline assessment of internal air travel business processes and technology*
Phase 2: Design Reimagine core business processes and experiences with modern enabling technology	• Identify and prioritize business process improvement opportunities based on timing, impact, and expected risk • Develop 2-3 end-to-end visual options for reimagined experiences, building from individual improvement opportunities • Launch an innovation hub to explore new enabling technologies • Validate use-case concepts for new technology with target users (e.g., passengers, employees) and other stakeholders (e.g., airlines) • Refine approach for piloting and prototyping		• (5) Draft International Air Travel Innovation Strategy, including: – Options for business process improvements – Use cases for new technologies • (6) Market Assessment of Enabling Technologies • Strategic vision for future state business processes*
Phase 3: Deliver Finalize strategic plan and develop change management approach	• Finalize strategic roadmap based on prioritized portfolio of actionable initiatives • Finalize plan for an open innovation capability to engage critical stakeholders • Summarize lessons learned in creating public & private sector ecosystems • Develop construct & incentives to work effectively in ecosystem • Weekly progress meetings and monthly updates • Management briefings, material refinements and progress check-ins		• (7) Partner Engagement Strategy • (8) Final International Air Travel Innovation Strategy • Recommendations for governance structure to oversee execution*

TEAM RESOURCING: Committed Partners (part-time), deep content experts (part-time), one Engagement Manager (full-time), three Associates/Business Analysts (full-time), a research team available around-the-clock, a world-class graphics team, and access to an extensive library of proprietary knowledge and tools

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TECHNICAL PROBLEM 2

We will bring the best of our innovative and analytical capabilities to deliver on CBP's aspirations and objectives

Innovative

Human-Centered Research. Our team of ethnographers, experience designers, and consumer insights experts will help CBP to uncover powerful insights with proven tools and approaches

Designers. Our team of more than 350 award-winning designers will help CBP to develop breakthrough solutions and experiences that delight travelers, while improving CBP's ability to adapt to external and internal threats

Makers. Experienced makers with a range of experience from airport service delivery to IoT device development to user interface design that can help CBP to rapidly bring solutions to life

Coaches. We will build CBP's long-term agile and innovation capabilities through our side-by-side teaming approach and hands-on working model

Analytical

Strategists. Our unrivaled strategic thinking will bring expertise in long-term disruption and experience in border security, law enforcement, and airports

Data Analysts. We will use our fact-based thinking and proprietary analytics (e.g., Startup Investment Landscape Analysis, Strategy Trends and Analytics Center) to help frame opportunities and potential of new solutions

Operators. Seasoned professionals that know how to build, measure, and scale solutions across large distributed workforces will work side by side with innovators

Conveners. Our extensive network of external start-ups, experts, and partners (e.g., Novetta and Sentinel) will help you think differently in brainstorming workshops and be smart when planning and developing new solutions

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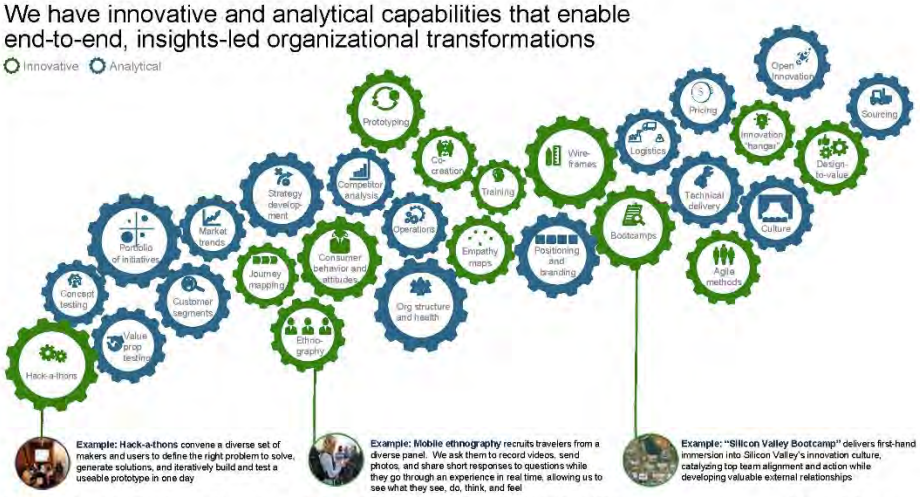
TECHNICAL PROBLEM 2

We have innovative and analytical capabilities that enable end-to-end, insights-led organizational transformations

Innovative Analytical



Example: Hack-a-thons convene a diverse set of makers and users to define the right problem to solve, generate solutions, and iteratively build and test a useable prototype in one day

Example: Mobile ethnography recruits travelers from a diverse panel. We ask them to record videos, send photos, and share short responses to questions while they go through an experience in real time, allowing us to see what they see, do, think, and feel

Example: "Silicon Valley Bootcamp" delivers first-hand immersion into Silicon Valley's innovation culture, catalyzing top team alignment and action while developing valuable external relationships

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TECHNICAL PROBLEM 3

We will collaborate with CBP to achieve outcomes that improve agility and responsiveness against emerging threats

Increased border security, improved facilitation of trade, and seamless traveler experience

	World-class operating performance empowered by leading capabilities that enable best-in-class customs experience	Agile organization model adaptive to new threats and operating challenges as they arise and consistently able to evolve to meet customer demands	Energized and engaged employees with transparency into the aspiration, the path to achieve it, and their role in the process	Aligned internal and external stakeholders with new vision and CBP processes; airports and other key stakeholders engaged in partnership
Potential measures of success				
Sample KPI outcomes	▪ Reduced processing time for international passengers, crew, and cargo ▪ Improved customer experience through customs	▪ Real-time deployed model that focuses on potential threats ▪ Increased deterrence rate of external threats outside the U.S. and at-the-border	▪ Significant improvement in FEVS score ▪ Improved employee satisfaction at CBP ▪ Reduced internal threats due to more efficient workforce management	▪ Increased detection and seizure of illegal goods through collaboration ▪ Reduced cost and increased revenues from fees, duties, and taxes
How we will achieve these outcomes together	▪ Use proprietary process improvement tools and techniques to increase throughput ▪ Draw on open innovation network	▪ Build capacity for greater agility by teaching how to problem-solve ▪ Capitalize on expertise in navigating political uncertainty	▪ Lead change management effort and create working teams to improve internal capabilities/morale	▪ Use vast network to convene internal and external stakeholders and draw input ▪ Mobilize private sector

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TECHNICAL PROBLEM 3

NOT EXHAUSTIVE

To achieve these outcomes, we will actively mitigate difficulties and risks that could arise in the course of the project

⚠ Possible project risks	ℹ Potential mitigating strategies – for discussion and not exhaustive
▪ Stakeholder resistance to strategic change	▪ Engage internal and external stakeholders from Day 1, and seek collaborative input for key decisions ▪ Craft a simple and compelling change story for strategic implementation that will resonate across all levels of CBP
▪ Lack of data availability or inconsistent quality for operational baseline	▪ Deploy an advance team (Phase 0) to survey availability and quality ▪ Launch targeted data collection efforts where data gaps exist and where data is critical to effort ▪ Leverage advanced analytics capabilities
▪ Insufficient bandwidth of personnel to support strategic planning	▪ Effectively communicate the importance of the effort to incentivize staff participation through performance evaluations or advancement opportunities ▪ Garner leadership commitments to pledge staffing resources across CBP ▪ Consider how Administratively Uncontrollable Overtime (AUO) could affect the amount of time any individual can contribute, and size the team accordingly
▪ Requirement for full attention of CBP leadership team on another priority	▪ Incorporate the agency's reprioritization through agile problem solving ▪ Assign team resources to analyses and activities that can be performed independently ▪ Pause the effort when necessary to allow CBP personnel to accomplish urgent activities
▪ Legislative or regulatory change that requires planning adjustments	▪ Prioritize portfolio initiatives by importance to allow CBP to economize in case of budget uncertainty ▪ Implement an effective change management plan that allows for agile and continuous strategic adjustment

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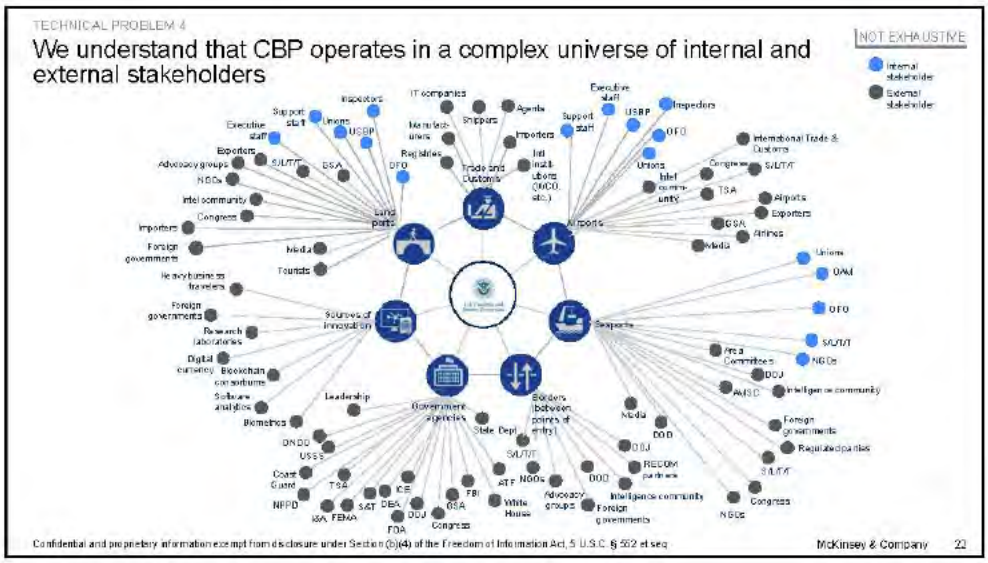
TECHNICAL PROBLEM 4
We understand that CBP operates in a complex universe of internal and external stakeholders
NOT EXHAUSTIVE
Internal stakeholder
External stakeholder
Land ports
Airports
Seaports
Borders between points of entry
Government agencies
Sources of innovation
Trade and Customs
Inspectors
IT companies
Agents
Executive staff
Support staff
Unions
USBP
Importers
Shippers
Manufacturers
Regulators
DFO
Exporters
Advocacy groups
NGOs
S/L/T/T
DSA
Intel community
Congress
Foreign governments
Media
Tourists
Heavy business travelers
Research laboratories
Digital currency
Blockchain consortiums
Software analytics
Biometrics
DNDO
USSS
Coast Guard
TSA
NPPD
S&T
FEMA
ICE
DEA
FDA
DOJ
GSA
FBI
ATF
White House
Leadership
State Dept
International Trade & Customs
Union
Intel community
Airlines
OAM
Area Committees
AMSC
Intelligence community
Regulated parties
RECOM partners
Advocacy groups
Foreign governments
NGOs
DOD
DOJ
Congress

TECHNICAL PROBLEM 4
We have experience developing and executing plans to engage stakeholders and balance diverse perspectives
(b) (6)
Approach
Stages of stakeholder input
Key stakeholders
1
Diagnose both needs and requirements
Baseline operational assessment
Leveraged McKinsey resources to access external stakeholders (e.g., airline reps, airports, biometrics firms, and TSA field agents)
Conducted field visits to 10 airports
2
Engage stakeholders in multiple stages to design solutions
Solution development and refinement at Innovation Hangar
Utilized unique capabilities to launch creative, hands-on solutions
Engaged 25 stakeholders (e.g., TSA headquarters and field staff, airline reps and airport authorities)
3
Build buy-in using fact-based understanding of trade-offs and outcomes
Solution syndication
Drew on extensive firm experience to:
– Align key TSA leaders on recommended solutions
– Choose and onboard implementation champions
Input from external stakeholders at the right stages
DELTA
UNITED
LATAM
DFW
Collaboration with internal stakeholders and across DHS at all stages of input
U.S. Immigration and Customs Enforcement
Transportation Security Officers
Federal Security Directors
TSA Systems Integration Facility
Innovation Task Force

TECHNICAL PROBLEM 5

McKinsey and its partners have extensive experience working in the highest security environments of the U.S. government

(b) (6)

Description

Facilities

- McKinsey and partners have been granted **Facility Security Clearance** at the **Top Secret level** and can process DD Form 254
- McKinsey and its partners have a **NISPOM-compliant security program**, all classified information will be handled on CBP site to ensure safeguarding and protection

Personnel

- Proposed key personnel have **active security clearances** (TS clearance [Elder] and Interim TS [Neher])
- All personnel will have clearances as required and follow strict rules and policies for handling sensitive and classified data
- Team will achieve security and risk accreditation with **100% compliance**

Procedures

- All involved personnel will attend all mandated client (e.g., CBP) required security training
- McKinsey and our partners use robust internal trainings that cover relevant security and risk topics (e.g., PII, insider threat)

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TECHNICAL PROBLEM 6

Our management approach promotes quality while minimizing risk

Commitment to best value – We work as 'one firm' to deliver the best value and highest quality

Ongoing risk assessment – We regularly assess risk and facilitate problem-solving on concerns on an ongoing basis as part of our performance

Teams perfectly matched to need – We staff teams to provide the greatest value for each client situation, bringing deep expertise and complementary skills

Direct leadership involvement in our teams – Our Partners commit real time to leading engagements (1:8 ratio of Partners to Associates)

Continual co-creation – We iterate on our solutions in direct collaboration with leadership and staff to drive quality, fine-tune impacts, and reduce risk

Eye toward impact – We use regular reviews to share information, guide problem-solving, challenge progress and hypotheses, identify and resolve potential issues, check schedules, and ensure all activities focus on positive impact

Planning with adaptability for change – We remain agile to adjust to new insights and any changes to priorities or problem context to maintain quality and focus

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TECHNICAL PROBLEM 6

We have an integrated team with clear roles and responsibilities

Subcontracting strategy

- **Select partners based on specific capabilities, expertise and experience, with clear mapping to tasks and roles/ responsibilities**
- **Maintain a BPA-level view of expertise CBP will require**
- **Leverage existing relationships where possible**
- **Use integrated teams led by TO Project Managers**
- **Maintain open communication with subcontractors at BPA and TO levels**

(b) (6)

- Strategic consulting firm specialized in homeland security
- Supported CBP on developing agency-wide priorities, Border Patrol 2012-2016 Strategic Plan, and data intensive IT projects (e.g., Border Enforcement Management System [BEMS] and Targeting Analysis Systems Program Directorate [TASPD])
- Part of TO1 project team
- **Specialty/expertise**: Strategy and understanding of CBP

- Company provides biometrics consulting, big data and advanced analytics solutions, and large-scale, cyber, open source/media, and multi-INT analytics
- Leading a CBP-led geospatial predictive modeling project for CBP and USCG
- Part of TO2 project team
- **Specialty/expertise:** Biometrics and big data

- Woman-owned small business that provides management consulting capabilities focused on homeland security and IT
- Hands-on experience with U.S. Federal agencies
- Subcontractor to McKinsey on TSA checkpoint of the future work and projects with FEMA and ICE
- **Specialty/expertise:** HR and communications, and program management

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TECHNICAL PROBLEM 6

We will work with CBP in joint teams across all levels of the organization

CBP
CBP Senior Leadership (Commissioner, Assistant Commissioners, EACs, Chief of Border Patrol, Director of Field Ops, Port Director, Assistant Port Director)
CBP Field Officers (OFO, USBP, OAM)
We will also bring cutting-edge tools and capabilities as needed to push thinking forward on each task order
Task Order #1
McKinsey Global Institute
McKinsey Center for Government
Strategy Trends & Analytics Center
Task Order #2
McKinsey Digital Labs
Advanced Analytics (e.g., Quantum Black, SparkBeyond)
Design Firms (e.g., LUNAR and Veryday)
McKinsey Design-To-Value Labs
Silicon Valley Bootcamps
McKinsey BPA Management[1]
(b) (6) BPA Manager (Key)
Task Order 1
(b) (6) Project Manager (Key)
(b) (6) Sentinel
(b) (6) ArcAspicio
(b) (6) Engagement Manager[2]
Associates (2)
Task Order 2
(b) (6) Project Manager (Key)
(b) (6) Novetta
(b) (6) Lunar
(b) (6) Engagement Manager[2]
Associates (3)
Additional Task Orders
BPA Leadership
(b) (6), (b) (7)(C) Partner, Leader of Customs Experience Practice for Americas (Key)
(b) (6), (b) (7)(C) Partner, Leader of Innovation Practice in the Americas
(b) (6), (b) (7)(C) Senior Partner, U.S. Public Sector Practice Leader
Subject Matter Experts
Core team will engage subject matter experts and functional capabilities as required:
Border Security & Law Enforcement: (b) (6), (b) (7)(C)
International Customs and Trade: (b) (6), (b) (7)(C)
Integrated Strategy: (b) (6), (b) (7)(C)
Technology & Advanced Analytics: (b) (6), (b) (7)(C)
Innovation & Customer Experience: (b) (6), (b) (7)(C)
Business Processes & Systems: (b) (6), (b) (7)(C)
Transformation and Infrastructure: (b) (6), (b) (7)(C)
Human Capital: (b) (6), (b) (7)(C)

[1] Could include BA, Area Key personnel and associates (optional)
[2] Example Engagement Manager

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TECHNICAL PROBLEM 6

Our team offers broad capabilities across industries, functions, and activities within BPA scope

Name	Organization	Industry Expertise: Border Security & Law Enforcement	Industry Expertise: International Customs & Trade	Industry Expertise: Transportation and Infrastructure	Functional Expertise: Innovation & Customer Experience	Functional Expertise: Integrated Strategy	Functional Expertise: Business Processes & Systems	Functional Expertise: Human Capital	Functional Expertise: Advanced Analytics & Digital	Other Important Skills: Stakeholder Mgmt	Other Important Skills: Change Mgmt	Other Important Skills: Project Mgmt	Other Important Skills: Communications	Other Important Skills: Risk Mgmt	Other Important Skills: Implementation	Other Important Skills: Capability Building
(b) (6)	McKinsey	X		X	X	X	X	X		X	X	X	X	X	X	X
	McKinsey	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
	McKinsey	X			X	X			X	X	X	X		X		X
	McKinsey	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
	McKinsey	X				X		X		X	X	X	X	X	X	X
	McKinsey			X			X	X		X	X	X	X		X	X
	McKinsey	X	X	X		X	X	X	X	X	X	X	X	X	X	X
	McKinsey	X		X		X	X	X		X	X	X	X	X	X	X
	McKinsey	X		X	X	X	X	X		X	X	X	X		X	X
	McKinsey	X	X	X	X	X	X	X		X	X		X	X		X
	McKinsey		X			X	X		X	X	X	X			X	X
	McKinsey		X		X	X		X	X	X	X	X		X	X	X
	McKinsey	X			X	X	X	X		X	X	X	X	X	X	X
	McKinsey	X		X			X			X	X	X		X	X	X
	McKinsey	X	X	X	X		X	X		X	X	X	X		X	X
	McKinsey LUNAR	X			X		X			X		X	X		X	X
	McKinsey LUNAR	X			X		X			X		X	X		X	X
	mcAcquire	X	X	X		X				X	X	X	X			X
	Novetta	X	X						X	X						
	Novetta	X	X						X							
	Sentinel	X	X	X		X	X			X	X	X	X	X	X	X
	Sentinel	X	X	X		X	X			X	X	X	X	X	X	X

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McKinsey will collaborate with CBP to generate adaptable, impactful, and executable solutions

- **Clarifying expectations, objectives and roles** on Day 1, and holding regular check-ins to update as necessary
- **Co-creating openly and inclusively**, working and problem solving side-by-side with the CBP team on a day-to-day basis
- **Considering our clients' context and culture** in our planning, working style, and deliverables
- **Building client capabilities to sustain CBP's improvement** through training, workshops, and change management plans
- **Providing cutting-edge, valuable expertise** across strategy, technology, operations, innovation, and other relevant subjects

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Appendix A: Key Personnel Resumes and Letters of Commitment

We have provided our two key personnel resumes and signed letters of commitment on the following pages:

- (b) (6) BPA Manager, Task Order 1 Project Manager
- (b) (6) Task Order 2 Project Manager

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(b) (6)

BPA Manager, Strategy (TO 1) Project Manager

(b) (6)

Summary of Qualifications:

- Leader in McKinsey's Public Sector Practice in Washington DC
- Leads client service at TSA, FEMA, and ICE
- Over 20 years of experience working with defense and intelligence agencies to conduct large-scale transformations to address issues of strategy, operations, and organizational design
- Brings expertise in global private sector strategy work with aerospace and defense as well as transportation and logistics

Key Experience:

- Oversaw all of McKinsey's work at the FBI over the last two years focused on evaluating and improving field intelligence operations and aligning internal and external stakeholders
- Co-led team at DoD that developed a human capital strategy to positively influence mindsets and behaviors, and significantly improved marketing and recruiting functions

(b) (6) is a Senior Partner at McKinsey and a leader in our Washington, DC Office and in our McKinsey's Public Sector Practice, where he manages the firm's client work in defense and intelligence. Over the past several years, (b) (6) has helped defense and intelligence agencies conduct large-scale transformations to address issues of strategy, operations, and organizational design. In particular, he has overseen McKinsey's work at the Federal Bureau of Investigation (FBI), where McKinsey has helped improve field intelligence operations and redesign roles and responsibilities across the National Security Branch and within the Directorate of Intelligence. Richard has also led multiple client engagements at the US Department of Defense (DoD), including efforts to develop the Army's human capital strategy, improve the Army's marketing and recruiting functions, and enhance the leadership development program for the DoD's Senior Executive Service (SES).

As a former leader of McKinsey's Organization Practice, (b) (6) helped develop the firm's proprietary thinking on how to diagnose and improve organizational health. He also founded McKinsey's organizational analytics group.

Outside of his work in the public sector, (b) (6) serves capital-intensive industrial clients, including those in the fields of power generation, chemicals, steel, shipping, shipbuilding, aircraft manufacturing, explosives, and basic manufacturing. Prior to joining McKinsey, he was an officer in the United States Air Force, where he was the

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program manager responsible for designing and building the world's largest ground-based satellite tracking telescope.

Relevant Experience:

- **DoD.** Served as the lead partner on a year-long project with DoD to improve its career and leadership development program for the SES. Led a team that conducted extensive research on the Department's existing SES career development program, ran joint workshops with SES representatives, and collected best practices from the public and private sectors. Identified several unique criteria for leadership development across the DoD and its component agencies, and made change recommendations accordingly. Provided regular guidance to DoD personnel leaders, conducted senior-level interviews, and led major workshops and progress reviews.
- **US Army.** Led several projects at the US Army to improve its marketing and recruiting functions. He has helped senior military and civilian leaders develop new marketing and recruiting strategies as mission requirements have changed, create new coordination mechanisms across the Army's numerous recruiting bodies, and improve recruiter talent management and performance management.
- **FBI.** Oversaw the firm's work at the FBI for the last two years. Managed multiple client engagements focused on evaluating and improving the Bureau's intelligence operations and organization as well as enhancing its abilities in program management and talent management. Supported the FBI in creating its Strategic Execution Team (SET) for implementing strategic, operational, and organizational changes across the Bureau (particularly in intelligence processes). Provided counseling and cross-cutting support to the FBI's executive team and project-level leadership.
- **North Carolina Department of Transportation.** Led a major effort at the North Carolina Department of Transportation to improve its strategic planning, talent management, financial planning, and performance management. Over the course of the project, regularly advised the Secretary of Transportation and his executive team on these issues, helping the Department improve its capabilities in planning and managing complex infrastructure projects, recruiting and retaining employees, and tracking its financial and operational performance. This work leveraged McKinsey's proprietary organization performance and health diagnostic.
- **Global aerospace and defense company.** Co-led a series of lean manufacturing efforts for a global aerospace and defense company designed to significantly improve the effectiveness and efficiency of the supply chain of various plants that produce weapons systems for the DoD. Oversaw a team that evaluated the company's SIOP strategy and systems.

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Education, Professional Licenses, Certifications, and Memberships

Institution	Degree or Certification	Graduated/Received
University of Virginia	MBA	(b) (6)
Massachusetts Institute of Technology	BS, Mathematics	

Work History

Employer	Role	Date
McKinsey & Company	Senior Partner	(b) (6)
United States Air Force	Program and Technical Manager, Advanced Optical Systems	

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McKinsey&Company

June 21, 2017

(b) (6), (b) (7)(C)

U.S. Customs and Border Protection
1331 Pennsylvania Ave, NW, NP1355
Washington, DC 20229

Subject: **U.S. Customs and Border Protection RFQ HSBP17QPAC for Integrated Consulting Services and Integrated Business Program Support Services Letter of Commitment**

(b) (6), (b) (7)(C)

I am pleased to confirm my exclusive commitment to McKinsey & Company, Inc. Washington D.C.'s (McKinsey) proposal response to the U.S. Customs and Border Protection (CBP) RFQ HSBP17QPAC for Integrated Consulting Services and Integrated Business Program Support Services. Should McKinsey be awarded the contract for the subject initiative, I confirm my intention to serve as the BPA Program Manager for the Integrated Consulting Services Blanket Purchase Agreement (BPA) and Strategy (Task Order #1) Project Manager upon award, and my availability to serve for the terms as described in the subject RFQ and as approved by CBP.

I look forward to working with CBP on this important endeavor.

Sincerely,

(b) (6)

(b) (6)

Airports (TO 2) Project Manager

(b) (6)

Summary of Qualifications:

- Leader of McKinsey's Customer Experience Practice in North America and the firm's Americas Travel and Transportation Practice
- Expert in driving strategy, designing excellent customer service programs, and implementing transformations

Key Experience:

- Served as Project Manager for TSA Task Order 1 on airport innovation and the future of aviation security
- Active client leader for multiple airlines and airports, both domestically and internationally, and experienced in working across major stakeholders for CBP
- Leads McKinsey's annual Customer Experience roundtables, including in Silicon Valley and at Disney World®

(b) (6) is a Partner and the Leader of McKinsey's North America Customer Experience Practice. He also serves as a leader in the Americas Travel and Transportation Practice, specializing in driving strategy, designing excellent customer service programs, and implementing transformations. He leads McKinsey's Customer Experience (CX) Roundtable where a collection of over 40 clients gather every six months in Orlando, FL or Silicon Valley to learn best practices and lessons learned on customer service and CX transformations, do CX "go and sees," and discuss hot CX topics in current leading industries. Past roundtable participants include Starbucks, McDonalds, Southwest Airlines, Disney, Nordstrom, BlueCross BlueShield, USAA, and Hewlett Packard.

Throughout his nearly 11 years at McKinsey, (b) (6) has served organizations across retail, healthcare, insurance, cruise lines, railroad, logistics and postal, and IT service companies. He helps clients innovate and grow through customer-backed strategies, building new capabilities and processes within organizations, and driving efficiencies in a "service culture" design. He has written about customer experience in the *Harvard Business Review* and co-authored an article with Ewan Duncan called, "The Truth About Customer Experience."

(b) (6) brings extensive private sector experience with domestic and international organizations on improving customer service programs (Comcast, Hertz Rental Car), designing strategic end-to end transformations (Deppon Logistics, Hertz Rental Car) and improving operational implementation (Deppon Logistics, Global Travel Company).

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Relevant Experience:

- **TSA.** Served as key personnel and project manager for work to date on TSA Integrated Consulting Services BPA (task orders 1 and 2), providing both performance management and advisory support. Led the design effort in defining the customer experience strategy for a future state innovation engagement addressing the enhancement of aviation security across the customer experience, operational efficiency, and operational effectiveness dimensions. Brought an "innovation garage" agile mindset to bear and helped align the full range of client stakeholders (e.g., airlines, airports, government agency directors) towards a future security vision via consumer segmentation, full-scale mockups, 3D imagery, and future state storyboards that bring a near-term and long-term vision to life. Sourced ideas from the private sector through open innovation.
- **FEMA.** Served as key design and innovation expert across multiple task orders to transform the Flood Insurance subsidiary.
- **Global travel company.** Led an engagement within the US and Europe to design new service experiences to deliver higher customer service. Generated greater ancillary revenue and lowered the cost base with total margin improvement of 8-10%. The team designed new services and required technology to deliver higher customer experience. They also implemented a lean operations model that achieved a lower cost base with a 260 bps margin improvement. The team built enabling organization and workforce requirements for new business division.
- **Comcast.** Led a team for this six-month end-to-end customer experience transformation engagement that focused on assessing, diagnosing and transforming the customer experience for various organizations within this large-scale multi-media client. Performed diagnosis on current state and examined the vision of the desired end state—what matters, what is important for customers. Completed more than three months of in-depth interviews, surveys, and observations (such as ride-along observation with customer service teams). Synthesized data and developed key recommendations and best practices. Rolled out pilot sites with the recommended changes and supported the client team with adjustments and implementation. Work is expected to result in reduced customer service calls as well at compliant calls. Pilot projects have led to a 33% reduction in repeat calls.
- **Deppon Logistics.** Led an end-to-end transformation journey for a large post and logistics player that serves clients throughout China. The effort covered two dimensions of the customer experience: improving the onboarding new customers and reducing customer complaints. The journey was organized around the six hallmarks of a successful transformation: defining exceptional customer service; conducting a baseline analysis and identifying best practices; developing a comprehensive set of recommendations; implementing short-term changes, and developing long-term customer service roadmap; and defining a customer experience metrics system.
- **Hertz Rental Car.** Led a 10-month study that included an end-to-end customer experience transformation for this global car rental agency. He and the team used methods such as the six hallmarks of successful customer service transformation and McKinsey's CX Diagnostic and Journeys Surveys to determine the current state,

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define the future state, and implement industry best practices. The team supported Hertz in moving quickly from diagnostic to operational improvement implementation. (b) (6) and the team's work has resulted in a 200% increase in margin for the organization.

- **US airline.** Led a cost transformation for a US airline, designing a step-change cost program with new service experiences with total margin improvement goal of 8% to 10%.
- **Johnson Controls.** Led a customer-backed effort for a leading building industry player to design new customer value propositions, contributing to $7 billion growth strategy.

Education, Professional Licenses, Certifications, and Memberships

Institution	Degree or Certification	Graduated/Received
Harvard University	MBA with high distinction	(b) (6)
University of Virginia	BA, Economics	

Work History

Employer	Role	Date
McKinsey & Company	Partner	(b) (6)
First Book	Interim Director, National Book Bank	
Foley and Lardner	Economic Analyst, Risk Arbitrage practice	

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McKinsey&Company

June 21, 2017

(b) (6), (b) (7)(C)

U.S. Customs and Border Protection
1331 Pennsylvania Ave, NW, NP1355
Washington, DC 20229

Subject: **U.S. Customs and Border Protection RFQ HSBP17QPAC for Integrated Consulting Services and Integrated Business Program Support Services Letter of Commitment**

(b) (6), (b) (7)(C)

I am pleased to confirm my exclusive commitment to McKinsey & Company, Inc. Washington D.C.'s (McKinsey) proposal response to the U.S. Customs and Border Protection (CBP) RFQ HSBP17QPAC for Integrated Consulting Services and Integrated Business Program Support Services. Should McKinsey be awarded the contract for the subject initiative, I confirm my intention to serve as Airports Project Manager (Task Order #2) for the Integrated Consulting Services Blanket Purchase Agreement (BPA) upon award, and my availability to serve for the terms as described in the subject RFQ and as approved by CBP.

I look forward to working with CBP on this important endeavor.

Sincerely,

(b) (6)

Appendix B: Subcontractor Letters of Commitment

On the following pages, McKinsey has included letters of commitment from our subcontractor partners who will participate in Task Orders 1 and 2.

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June 19, 2017

(b) (6), (b) (7)(C)
U.S. Customs and Border Protection
1331 Pennsylvania Ave, NW, NP1355
Washington, DC 20229

Subject: **U.S. Customs and Border Protection RFQ HSBP17QPAC for Integrated Consulting Services and Integrated Business Program Support Services Letter of Commitment**

Dear (b) (6), (b) (7)(C)

We are pleased to confirm our exclusive commitment to McKinsey & Company, Inc. Washington D.C.'s (McKinsey) proposal response to the U.S. Customs and Border Protection (CBP) RFQ HSBP17QPAC for Integrated Consulting Services and Integrated Business Program Support Services. Should McKinsey be awarded the contract for the subject initiative, we confirm our intention to serve as a Sub-Contractor for the Integrated Consulting Services Blanket Purchase Agreement (BPA) upon award as necessary. We are available to serve for the terms as described in the subject RFQ and as approved by CBP.

We look forward to working with CBP on this important endeavor.

Sincerely,

(b) (6)

Organization Name

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McKinsey&Company

June 20, 2017

(b) (6), (b) (7)(C)
U.S. Customs and Border Protection
1331 Pennsylvania Ave, NW, NP1355
Washington, DC 20229

Subject: **U.S. Customs and Border Protection RFQ HSBP17QPAC for Integrated Consulting Services and Integrated Business Program Support Services Letter of Commitment**

Dear (b) (6), (b) (7)(C)

We are pleased to confirm our exclusive commitment to McKinsey & Company, Inc. Washington D.C.'s (McKinsey) proposal response to the U.S. Customs and Border Protection (CBP) RFQ HSBP17QPAC for Integrated Consulting Services and Integrated Business Program Support Services. Should McKinsey be awarded the contract for the subject initiative, we confirm our intention to serve as a Sub-Contractor for the Integrated Consulting Services Blanket Purchase Agreement (BPA) upon award as necessary. We are available to serve for the terms as described in the subject RFQ and as approved by CBP.

We look forward to working with CBP on this important endeavor.

Sincerely,

(b) (6)
Print Name

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CBP Consulting Services Blanket Purchase Agreement - Pricing Template - Task Order 1 - McKinsey & Company, Inc. Washington D.C.

Labor Category / Team Type	Team Description	Base Year 2017 Rate	Base Year Weeks	Total
Team B (EM+2)	**Team B integrates seven distinctive capabilities into a seamless offering:** • Committed **leadership by two McKinsey Partners/Senior Partners (part-time)**, who are accountable for delivery, actively manage the engagement, and lead problem solving with the team. • **A full-time team of one Engagement Manager and two Associates or Business Analysts**, who lead the day- to-day work (e.g., interviews and data collection, analysis, problem solving, communications). The full-time team draws upon the following resources, capabilities, and expertise as much as needed to deliver superior results to the client. • **Content experts (part-time)**, who bring world-class expertise and experience on relevant industry and functional topics. • **Proprietary knowledge and tools** that help our clients solve problems more efficiently and effectively. • Support for **new solutions and advanced analytic techniques**. • A **research team** that is available around-the-clock to answer clients' questions about issues such as best practices or important trends. • World-class **graphics support.**	$		(b) (4)
Leadership Counseling	**Leadership counseling integrates five distinctive capabilities into a seamless offering:** • Committed **leadership by one McKinsey Partner (part-time)**, who is accountable for delivery and actively manages the engagement. • **Content experts (part-time)**, who bring world-class expertise and experience on relevant industry and functional topics. • **Proprietary knowledge and tools** that help our clients solve problems more efficiently and effectively. • Support for **new solutions and advanced analytic techniques**. • A **research team** that is available around-the-clock to answer clients' questions about issues such as best practices or important trends.	$		
SUBTOTAL - FIRM FIXED PRICE (FFP) - LABOR				
(b) (4)				

TOTAL ESTIMATED CONTRACT VALUE - FFP - LABOR	$	(b) (4)

Narrative

• To calculate our Firm-Fixed Price for Task Order 1, McKinsey estimated the number of weeks and teams, in compliance with our GSA PSS Contract and the proposed discounted BPA rates, required to complete the tasks and deliverables as described in the RFQ.

• Based on our commitment to CBP and our enthusiasm to support this critical program, McKinsey is offering CBP a one-time discount of (b) (4) or Task Order 1, in addition to the (b) (4) discount proposed for the BPA rates, which equates to an additional (b) (4) f savings to CBP.

• It is McKinsey's commercial and Government practice to estimate travel expenses for its staff and experts at (b) (4) f its fixed labor price, which includes team member travel from remote locations; such travel percentage reflects our historical averages, and is how we regularly conduct business with both our private sector and government clients.

Certification:

• McKinsey confirms that its online representations and certification (ORCA) information is current and accurate.

Confidential and proprietary information exempt from disclosure under Section (b)(4) of the Freedom of Information Act, 5 U.S.C. § 552 et seq.

CBP Consulting Services Blanket Purchase Agreement - Pricing Template - Task Order 1 - McKinsey & Company, Inc. Washington D.C.

Labor Category / Team Type	Team Description	Base Year 2017 Rate	Base Year Weeks	Total
Team B (EM+2)	**Team B integrates seven distinctive capabilities into a seamless offering:** • Committed **leadership by two McKinsey Partners/Senior Partners (part-time)**, who are accountable for delivery, actively manage the engagement, and lead problem solving with the team. • **A full-time team of one Engagement Manager and two Associates or Business Analysts**, who lead the day- to-day work (e.g., interviews and data collection, analysis, problem solving, communications). The full-time team draws upon the following resources, capabilities, and expertise as much as needed to deliver superior results to the client. • **Content experts (part-time)**, who bring world-class expertise and experience on relevant industry and functional topics. • **Proprietary knowledge and tools** that help our clients solve problems more efficiently and effectively. • Support for **new solutions and advanced analytic techniques**. • A **research team** that is available around-the-clock to answer clients' questions about issues such as best practices or important trends. • World-class **graphics support.**	$		(b) (4)
Leadership Counseling	**Leadership counseling integrates five distinctive capabilities into a seamless offering:** • Committed **leadership by one McKinsey Partner (part-time)**, who is accountable for delivery and actively manages the engagement. • **Content experts (part-time)**, who bring world-class expertise and experience on relevant industry and functional topics. • **Proprietary knowledge and tools** that help our clients solve problems more efficiently and effectively. • Support for **new solutions and advanced analytic techniques**. • A **research team** that is available around-the-clock to answer clients' questions about issues such as best practices or important trends.	$		
SUBTOTAL - FIRM FIXED PRICE (FFP) - LABOR				
(b) (4)				

TOTAL ESTIMATED CONTRACT VALUE - FFP - LABOR	(b) (4)

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U.S. Customs and Border Protection

Volume I: Technical (Factor 1) Oral Presentation

RFQ # HSBP17QPAC

McKinsey & Company, Inc.
Washington, D.C.

June 23, 2017

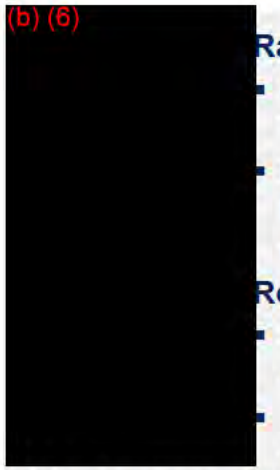
Confidential and proprietary information exempt from disclosure under Section (b)(4) of the Freedom of Information Act, 5 U.S.C. § 552 et seq

(b) (6)

Our proposed team brings deep experience in security, travel, strategy, and innovation, and has previously worked together on multiple DHS engagements

Key personnel

(b) (6)



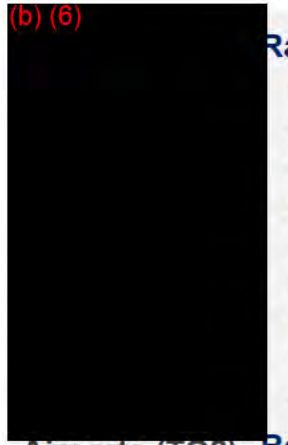
BPA Manager
Strategy (TO1) Project Manager
25+ yrs exp.
TS/SCI Clearance

Rationale for selection
- Co-leads DHS work and serves TSA, FEMA, and ICE
- Brings expertise in leading large-scale strategy and change management transformations

Role on the program
- Serves as BPA Manager and Strategy (TO1) Project Manager
- Provides cross-TO planning and advising
- Drives impact on task order

Summary of qualifications and experience
- Led FBI transformation
- Served Defense and Intelligence agencies
- Expert in Integrated Strategy
- Brings expertise in global private sector strategy work with aerospace and defense stakeholders

(b) (6)



Airports (TO2) Project Manager
16+ yrs exp.
Interim TS Clearance

Rationale for selection
- Brings expertise across air and ground travel and transportation in driving strategy, designing customer service programs, and implementing transformations
- Led multiple engagements with TSA and travel stakeholders, including airport operations, security, and innovation

Role on the program
- Serves as Airports (TO2) Project Manager
- Drives impact on task order

Summary of qualifications and experience
- Leads McKinsey's Customer Experience Practice in North America
- Expert in aviation security and service operations
- Extensive U.S. and global experience in improving customer service and operational implementations

(b) (6)

Innovation Expert
20+ yrs exp.

ationale for selection
- Designed TSA's Innovation Strategy
- Brings Silicon Valley innovation know-how to solve government challenges
- Develops breakthrough customer experience platforms and capabilities across industries

ole on the program
- Serves as the team's Lead Innovation Expert
- Helps the team bring new thinking and creativity to its solutions across the task orders

Summary of qualifications and experience
- Co-founder of Stanford d.school and Leader in McKinsey's Innovation Practice
- Leads development of digital customer experience transformations
- Leads innovation transformation efforts that build agile, innovative organizations

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The McKinsey team provides CBP with deep capabilities and expertise

Border Security and Law Enforcement
- >220 defense and security engagements in last 5 years

International Customs and Trade
- Served over a dozen customs agencies
- Proprietary capabilities to analyze trade flows and fraud through MGI

Integrated Strategy
- >5,000 strategy engagements in last 5 years
- Proprietary strategy tools (e.g., STAC, Center for Government)

Technology and Advanced Analytics
- >2,000 engagements in the last year
- 950+ in-house data scientists and 900-person McKinsey Digital Labs

McKinsey&Company
Sentinel
arcAspicio
NOVETTA SOLUTIONS

Leading experts

(b) (6)

[redacted]

Innovation and Customer Experience
- >600 engagements
- In-house design firm
- Proprietary survey and analytics tools

Business Processes and Systems
- >9,500 engagements
- Proprietary productivity management tools (30-100% improvements)

Transportation and Infrastructure
- >2,300 engagements across 500 clients around the world

Human Capital
- >900 engagements
- Proprietary organization diagnostic tools (e.g., Organizational Health Index, Influencer)

Leading experts

(b) (6)

[redacted]

CBP is undertaking an exciting and ambitious agenda

Our understanding of CBP's priorities

- Anticipate the threat landscape to disrupt terrorist activities, transnational organized crime, and insider threats
  - Expand pre-clearance of passengers and cargo at international locations to move threats away from the United States border
- Foster and demonstrate innovation for emerging technology capabilities, including in airport security
  - Implement protocols to improve security and traveler experience (e.g., biometric "exit" systems)
- Enhance morale and retention across the workforce
  - Expand border patrol forces without sacrificing quality
- Deepen domestic and international partnerships to improve information sharing and intelligence

What success looks like

- World-class operating performance
  - Increased security and passenger experience
  - Best-in-Government capabilities with innovation, technology, and advanced analytics
- Agile organization model adaptive to new threats and operating challenges
- Energized and engaged employees
- Aligned internal and external stakeholders

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McKinsey provides a comprehensive and integrated approach to solve the stated technical problems

	Technical problem	Advantage of McKinsey's approach	Pages in presentation
1	**Demonstrate approach for adaptable, impactful, and executable solutions**	▪ Integrated, cross-functional approach with enforcement and security expertise to help CBP achieve broad impact ▪ Distinctive proprietary tools to drive strategy and operational excellence (e.g., Organizational Health Index, Customer Experience research)	5-17
2	**Bring a spirit of innovation and creative problem solving**	▪ Deep innovation and design expertise, as well as access to leading-edge technology disruptors and innovators in Silicon Valley (e.g., Stanford d.school) ▪ Expert-level problem solving with core team and in-house design firm LUNAR	18-19
3	**Define expected outcomes from successful completion of task order engagements**	▪ Proven track record in similar large and complex enterprises ▪ Strong focus on change management from Day 1 (e.g., setting up cross-functional teams to enable the TO1 strategy)	20-21
4	**Develop a plan that incorporates various internal and external stakeholder perspectives**	▪ Robust existing relationships with CBP stakeholders such as domestic and international airports, foreign carriers, ports, border security and law enforcement agencies, and technology innovators in Silicon Valley ▪ Innovation lab to engage and innovate with stakeholders	22-23
5	**Use and protect data shared by CBP**	▪ Strict client confidentiality and robust internal security ▪ All consultants trained and accredited on risk and security, with 100% compliance	24
6	**Ensure deliverables are accurate and on-time, and integrate subcontractors into the work process**	▪ Our Partners spend real time on engagements and are active problem-solvers, not administrators ▪ Unbiased counsel focused exclusively on advancing CBP's mission ▪ Established relationships with industry-leading partners (Novetta, Sentinel, arcAspicio)	25-28

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McKinsey will collaborate with CBP to deliver adaptable, impactful, and executable solutions

Our team brings industry-leading capabilities…

An integrated, cross-functional approach: We bring a unique blend of cutting-edge capabilities and traditional expertise through proprietary tools, methodologies, and design centers

Extensive experience managing BPAs: We serve as prime contractors on various public sector BPAs (e.g., TSA, FEMA). We use a firm fixed price model that imputes delivery risk to McKinsey and away from the government

Proven track record serving the world's largest and most complex enterprises: We serve 93 of the top 100 corporations and 12 of 15 U.S. Cabinet departments. Our "One Firm" approach provides experts with both private sector and government expertise

Active problem solving by senior experts: We maintain a Partner-to-Associate ratio of 1:6 (other firms have ratios of 1:50 to 1:200). Our approach gives our clients real access to our senior management consultants

Unbiased counsel focused on CBP's mission: Our leadership brings direct, fact-based recommendations without financial interests in the outcomes

...tailored to address CBP's task orders

Task Order 1: Assessment and Strategic Approach

Our approach to Task Order 1 will deliver a CBP-wide strategy, including a robust baseline summary of CBP performance, an identification of strategic gaps between current state and future needs, and a prioritized portfolio of operational and organizational initiatives

Task Order 2: Management Support Services for International Air Travel

Our approach to Task Order 2 will yield a targeted strategy for reimagining international air travel, identifying promising technologies and analytical methods to improve the speed, security, and travel experience of air passengers

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We have designed a tailored approach to address TO1

(#) Formal RFP Deliverable

	Phase 1 Diagnose: Baseline current state of operational performance and align on aspirations (Weeks 0 - 4)	Phase 2 Design: Develop the Portfolio of Initiatives and conduct scenario planning (Weeks 5 - 8)	Phase 3 Deliver: Finalize strategic plan and develop change management approach (Weeks 9 - 12)
Analyses and Activities	▪ **Collect qualitative and quantitative data on the operational baseline,** including four priority areas: – **Assess technology**, leveraging proprietary Analytics Quotient and Horizon 360 tools and assessing disruptive technology trends – **Review operations**, conducting site visits and assessing current performance through benchmarks and existing scorecards – **Assess risk management** using proprietary Enterprise Risk Management framework – **Review internal and external stakeholder interactions**, conducting interviews, focus groups, and surveys (e.g., McKinsey's Organizational Health Index, Influencer) ▪ **Establish cross-functional working teams** across four areas – technology, operations, risk management, and stakeholder engagement ▪ **Convene leadership to align on the aspiration** that defines success ▪ **Establish the set of goals and objectives** with well-defined, synchronized metrics and targets ▪ **Assess gaps** between operational baseline and future mission imperatives and outcomes	▪ **Leverage McKinsey Global Institute (MGI)** proprietary research to review macro factors that will shape future trends ▪ **Generate a list of initiatives**, including all existing initiatives and potential new initiatives to meet goals and objectives ▪ **Assess initiatives using McKinsey's Portfolio of Initiatives** framework: – Assess all against time to impact (e.g., 1 year, 2-3 years, 3-8 years) and CBP's level of familiarity ▪ **Conduct scenario planning** to help senior leadership envision plausible future end states and exploit opportunities while avoiding threats – Building on macro factors identified, develop plausible scenarios – Conduct analysis of **initiative performance under different future scenarios** ▪ **Convene leadership** for strategic working sessions on ideation and prioritization of initiatives ▪ **Develop a balanced Portfolio of Initiatives** – Identify initiatives to close capability gaps – Determine potential divestitures	▪ **Finalize strategic roadmap based on balanced Portfolio of Initiatives** ▪ **Create framework for governance** to drive accountability, including: – Clear and consistent metrics – Cascaded targets and milestones – Regular performance reviews ▪ **Establish clear delineation of decision rights, roles, and responsibilities** – **Assess critical capabilities** required for strategic success, and formulate a plan to acquire them ▪ Establish iterative **strategic management process** grounded in governance and decision-making framework ▪ Develop **communication campaign** to build conviction with internal and external stakeholders – Build a **simple and compelling change story** ▪ **Identify changes, investments, and enhancements** (people, policies and processes, assets and infrastructure) to support the strategy
Deliverables	▪ (1) Project Kickoff Meeting Minutes ▪ (4) Project Execution Plan ▪ (6) Operational Baseline Summary ▪ Strategic Architecture with Goals and Objectives*	▪ (7) First draft of Future Enhancements to Close Capability Gaps and Areas for Potential Divestiture ▪ Scenario Planning Outcomes* ▪ Portfolio of Initiatives*	▪ (7) Final draft of Future Enhancements to Close Capability Gaps and Areas for Potential Divestiture ▪ Change Management Approach*

← (2) Weekly Updates, (3) Monthly Project Reports, (5) Stakeholder Engagement Reports →

* Additional deliverable recommended by McKinsey

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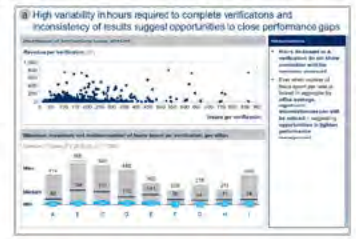
NOT EXHAUSTIVE

TO1 Phase 1: We will look at four primary areas to understand CBP's operational baseline

	Example activities	Example framework/tool/output
Technology	▪ Analyze and benchmark with Horizon 360 tool (examines IT efficiency, IT capabilities, digital value, and digital maturity) ▪ Diagnose maturity with Analytics Quotient (AQ™), which evaluates along dimensions critical to analytics success	Analytics Quotient
Operations	▪ Undertake site visits to selected land ports, seaports, and airports ▪ Identify opportunities for lean management improvements (e.g., FEMA Hurricane Sandy claims) ▪ Leverage advanced analytics to visualize KPI data to benchmark and improve processes	 Operational performance visualizations
Risk management	▪ Diagnose risk-based resource allocation opportunities using the Enterprise Risk Management framework ▪ Benchmark against other leading public sector organizations to identify areas for improvement	Enterprise Risk Management
Stakeholder interactions	▪ Leverage Organizational Health Index insights and FEVS scores to benchmark CBP's internal interactions ▪ Engage external stakeholders to uncover strengths and opportunities for improvement in stakeholder management	Organizational Health Index

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TO1 Phase 2: We will work collaboratively with CBP to deliver an innovative and executable Portfolio of Initiatives

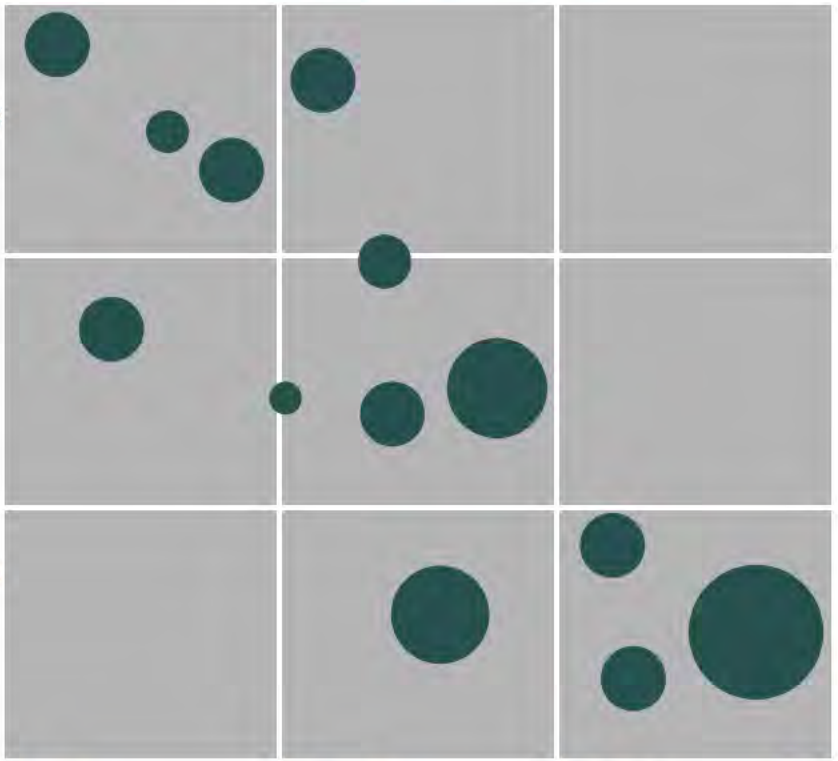
Portfolio of Initiatives

Familiarity/risk

Familiar
- Has been done before, knowledge exists internally
- Involves limited execution risk

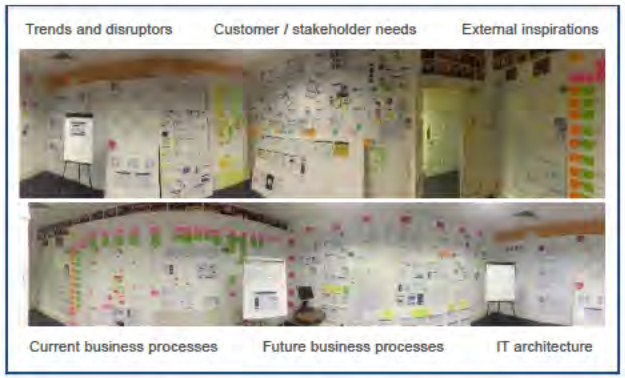
Unfamiliar
- Little internal knowledge, but accessible externally
- Partner for success

Uncertain
- Unclear if anyone has necessary knowledge
- Possibility of success difficult to estimate
- Can be overcome with passage of time

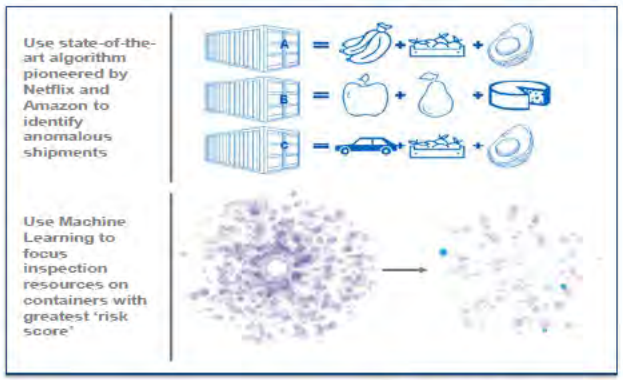


1 year	2-3 years	3-8 years	Time to implement
▪ Immediate mandates ▪ Fixing today's problems	▪ Medium-term improvement opportunities ▪ Stretch goals	▪ Longer-term ▪ Significant hurdles and engagement	

Immersive working session



Creative, innovative insights


Use state-of-the-art algorithm pioneered by Netflix and Amazon to identify anomalous shipments
Use Machine Learning to focus inspection resources on containers with greatest 'risk score'

Executable strategic roadmap

(b) (6)

- **Contributed to the first strategy** supported by the entire leadership in recent history
- The strategy was a portfolio of more than **50 concrete and actionable improvement initiatives** that were generated collaboratively with leadership
- **Strategic change management program** was cascaded through the organization
- **Momentum has been successfully sustained**

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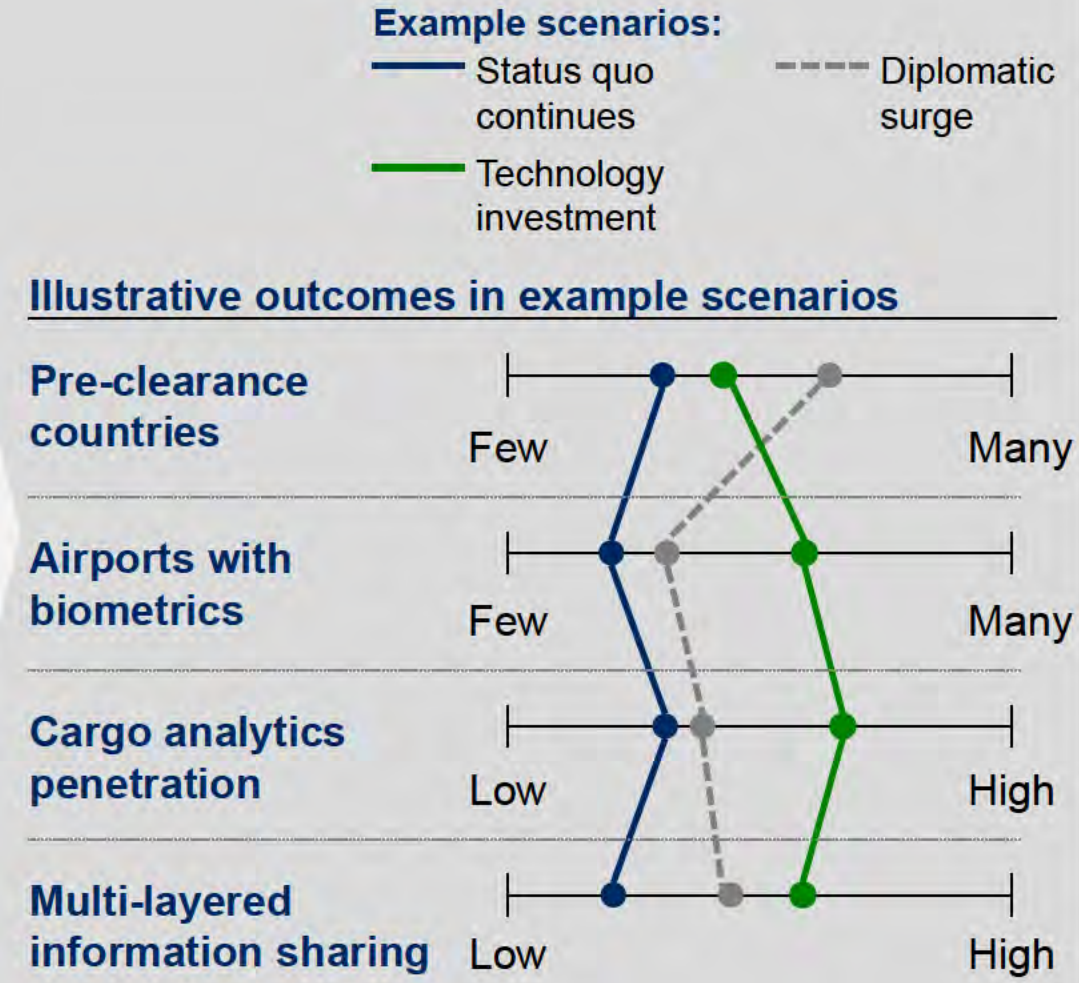
TO1 Phase 2: We will develop future scenarios in order to test the Portfolio of Initiatives

Overall steps involved in scenario planning

- Identify key trends and forces at work
- Define possible future uncertainties
- Develop divergent but plausible scenarios
- Test the Portfolio of Initiatives against scenarios, adjusting as needed

Examples of possible future uncertainties

- Accelerated expansion into forward operations vs. greater domestic focus
- Rapid growth in air travel vs. stagnation
- Spike in terrorist threat vs. increased global security
- Global trade increase vs. economic slowdown
- Expiration of trade deals vs. free trade expansion
- Economic crises along the border vs. growing stability in neighboring states



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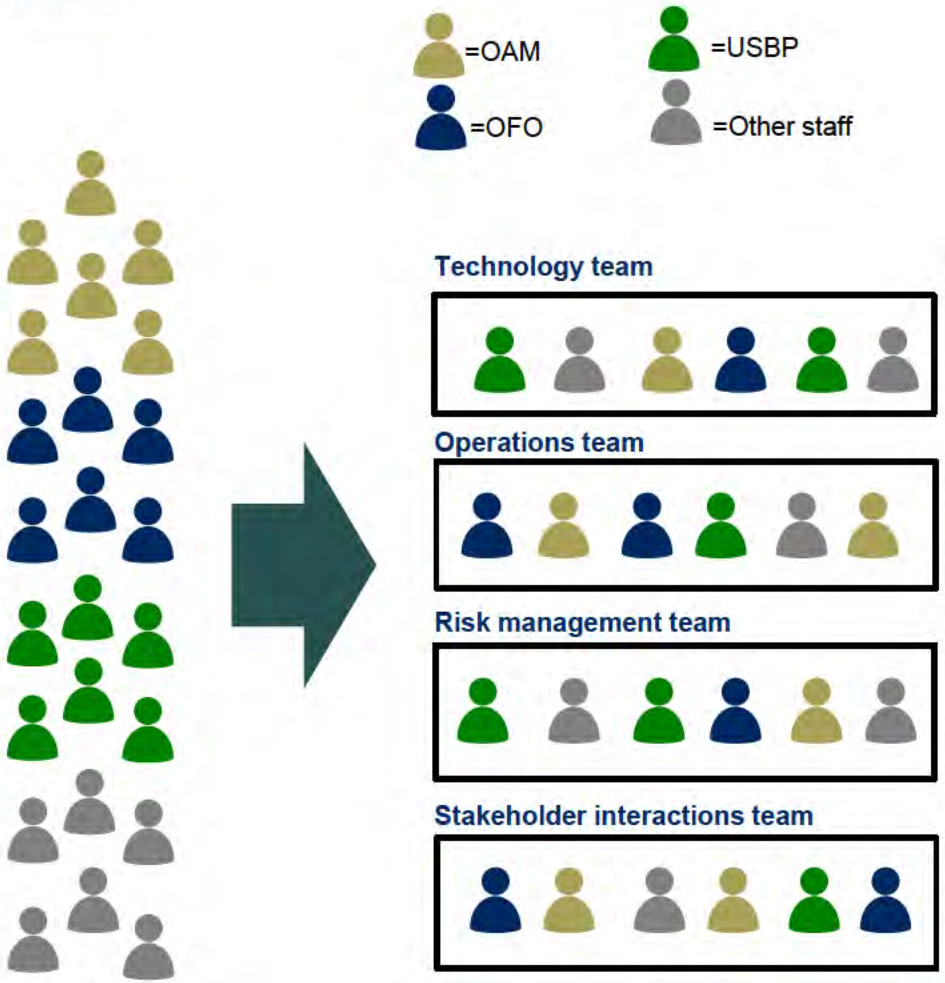
TO1 Phase 3: Our stakeholder interaction plan ensures CBP has the tools necessary to communicate and implement strategic initiatives

We embed change management into our approach by working collaboratively with cross-functional teams



An important part of change management is effective communication of the strategy to stakeholders, which is accomplished through a cascade down from leadership

1
Commissioner
Asst. Commissioners
2
Executive Assistant Commissioners
"All staff" event – Month 3
3
Director of Field Ops
Port Directors
CBP officers
Port officers
4

1 Assistant Commissioners workshop

- Commissioner shares change story and his own personal views with the division heads
- Goal is to refine/sharpen change story

2 Meetings with Executive Asst. Commissioners

- Introduce Commissioner's change story and the change program for the directors and regional leaders
- Asst. Commissioners share additional information and their personalized change story in their own division

3 Meetings in AOM, OFO, etc,

- Executive Asst. Commissioners share the relevance of the change story and their own personalized version in their part of the organization

4 Meetings with CBP officers

- Directors share the relevance of the change story and their own personalized version in their part of the organization

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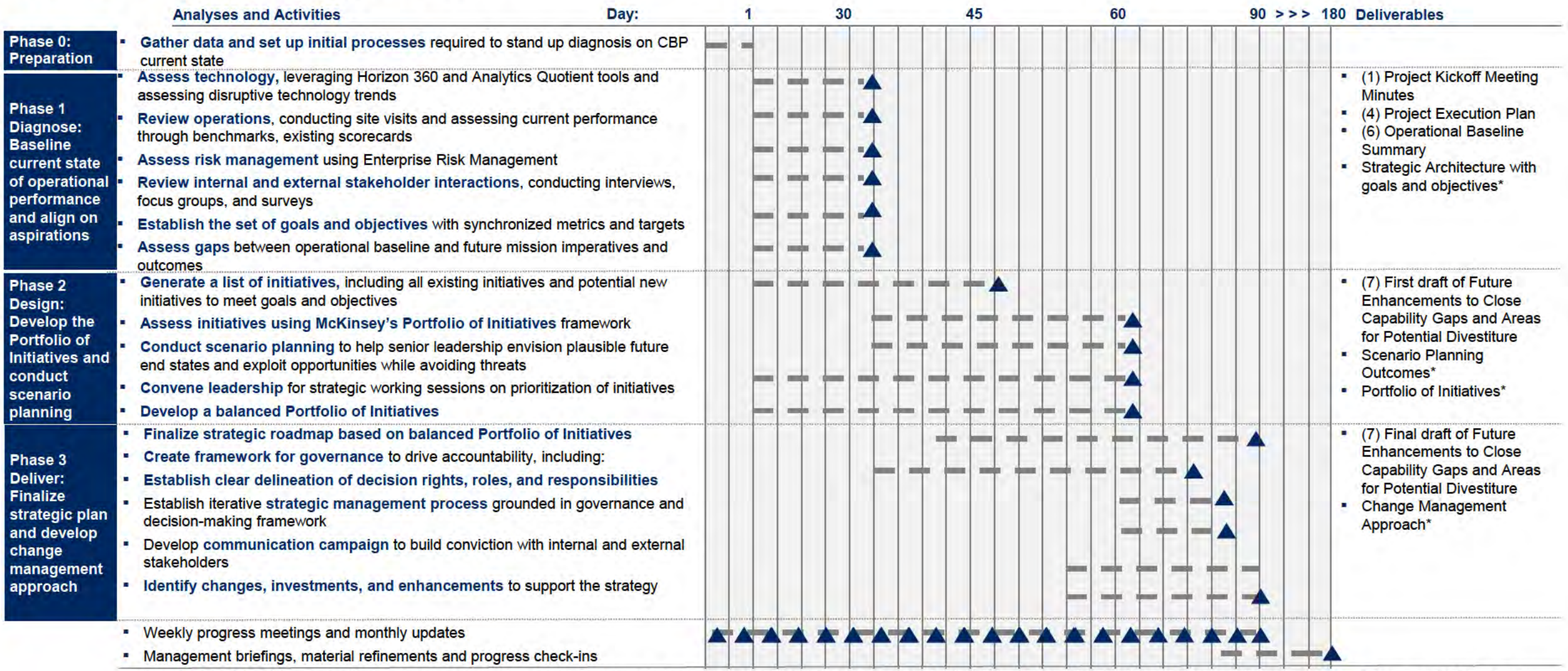
Our approach provides an accelerated time to value based on experience from thousands of engagements


Analyses and Activities
Day:
1
30
45
60
90 > > > 180
Deliverables
Phase 0: Preparation
Gather data and set up initial processes required to stand up diagnosis on CBP current state
Phase 1 Diagnose: Baseline current state of operational performance and align on aspirations
Assess technology, leveraging Horizon 360 and Analytics Quotient tools and assessing disruptive technology trends
Review operations, conducting site visits and assessing current performance through benchmarks, existing scorecards
Assess risk management using Enterprise Risk Management
Review internal and external stakeholder interactions, conducting interviews, focus groups, and surveys
Establish the set of goals and objectives with synchronized metrics and targets
Assess gaps between operational baseline and future mission imperatives and outcomes
(1) Project Kickoff Meeting Minutes
(4) Project Execution Plan
(6) Operational Baseline Summary
Strategic Architecture with goals and objectives*
Phase 2 Design: Develop the Portfolio of Initiatives and conduct scenario planning
Generate a list of initiatives, including all existing initiatives and potential new initiatives to meet goals and objectives
Assess initiatives using McKinsey's Portfolio of Initiatives framework
Conduct scenario planning to help senior leadership envision plausible future end states and exploit opportunities while avoiding threats
Convene leadership for strategic working sessions on prioritization of initiatives
Develop a balanced Portfolio of Initiatives
(7) First draft of Future Enhancements to Close Capability Gaps and Areas for Potential Divestiture
Scenario Planning Outcomes*
Portfolio of Initiatives*
Phase 3 Deliver: Finalize strategic plan and develop change management approach
Finalize strategic roadmap based on balanced Portfolio of Initiatives
Create framework for governance to drive accountability, including:
Establish clear delineation of decision rights, roles, and responsibilities
Establish iterative strategic management process grounded in governance and decision-making framework
Develop communication campaign to build conviction with internal and external stakeholders
Identify changes, investments, and enhancements to support the strategy
(7) Final draft of Future Enhancements to Close Capability Gaps and Areas for Potential Divestiture
Change Management Approach*
Weekly progress meetings and monthly updates
Management briefings, material refinements and progress check-ins

TEAM RESOURCING: Committed Partners (part-time), deep content experts (part-time), one Engagement Manager (full-time), two Associates/Business Analysts (full-time), a research team available around-the-clock, a world-class graphics team, and access to an extensive library of proprietary knowledge and tools

* Additional deliverable recommended by McKinsey

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(#) Formal RFP Deliverable

Our tailored approach for TO2 provides CBP with a clear roadmap for success

	Phase 1 Diagnose: Baseline current international air travel business processes (Weeks 0 – 6)	Phase 2 Design: Reimagine core business processes and experiences with modern enabling technology (Weeks 7 – 14)	Phase 3 Deliver: Finalize strategic plan and develop change management approach (Weeks 15 – 18)
Analyses and Activities	▪ **Collect and synthesize CBP's existing assessments and initiatives** for international air travel ▪ **Assess speed, security, and travel experience** for key air travel business processes – **Understand "voice of passenger"** by leveraging existing data, proprietary CX research, social media, and focus groups – **Visualize current business processes and data flows** – Compare current flows and performance metrics to **international experiences and industry best practices** to identify efficiency and experience improvements ▪ **Assess current use and future applicability of emerging technologies** – Map **current high-level architecture** – Identify **potentially suitable technologies** (e.g., biometrics, natural language processing), trends, and thought leaders – Use **"go-and-see" visits, demos, and proprietary research** to assess viability and suitability for each technology	▪ **Launch the CBP Innovation Lab to explore new enabling technologies** – **Validate use-case concepts for new technology** with target users (e.g., passengers, employees) and other stakeholders (e.g., airlines) – Define more **granular use-cases for enabling technology** (e.g., blockchain to store international trusted traveler data) using "hack-a-thon" format – Iterate ideas with stakeholders ▪ **Define aspirational vision and options for future state business processes and experiences** based on collaboration with CBP leadership – **Identify and prioritize business process improvement opportunities** based on timing, impact, and expected risk – **Develop 2-3 end-to-end visual options for reimagined experiences**, building from individual improvement opportunities ▪ Refine approach for piloting and prototyping, including investments needed	▪ Finalize strategic roadmap based on **balanced Portfolio of Initiatives** for CBP, including approaches for: – Future state business process and experiences – Enabling technologies and innovation approaches ▪ **Enable execution** by ensuring clear governance structure is in place ▪ **Finalize plan for an open innovation capability (building from the lab) to engage critical stakeholders** (e.g., technology firms, airports, airlines, travel associations) – Summarize **lessons learned in creating public and private sector ecosystems** (e.g., FAA NextGen) – Develop **construct and incentives** to work effectively with this ecosystem
Deliverables	▪ (1) Contractor PM POC Info. ▪ (2) Project Kickoff Meeting Minutes ▪ Baseline Assessment of International Air Travel Business Processes and Technology*	▪ (5) Draft International Air Travel Innovation Strategy, including: – Options for business process improvements – Use cases for new technologies ▪ (6) Market Assessment of Enabling Technologies ▪ Strategic Vision for Future State Business Processes*	▪ (7) Partner Engagement Strategy ▪ (8) Final International Air Travel Innovation Strategy ▪ Recommendations for Governance Structure to Oversee Execution*

← Project Updates (weekly) and Project Reports (monthly (3, 4)) →

* Additional deliverable recommended by McKinsey

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TO2 Phase 1: We will create a comprehensive visual baseline of the international air travel experience today

Sources of insight	Potential analyses
Existing CBP assessments and initiatives	▪ **Collect and synthesize** CBP's existing assessment and initiatives for international air travel ▪ **Interview a sample of priority CBP stakeholders** (e.g., airports, airlines, travel associations)
Visualization of current business process and data flows	▪ **Create Value Stream Map** of core international travel processes (e.g., security, check-in) and data flows ▪ **Identify pain points** and challenges based on "voice of the passenger" analysis, international best practices, and CBP stakeholder interviews
Understanding the voice of the passenger in key flows	▪ **Build air traveler archetypes** to inform design phase by conducting in-person interviews and representative passenger focus groups ▪ **Analyze proprietary research** on customer experiences with CBP services
International best practices	▪ **Summarize case examples and learnings** from comparable experiences and improvement efforts internationally (e.g., Canada Border Services Agency modernization effort)

Example analysis from our proprietary U.S. government Customer Experience (CX) survey across 15K customers

Customers with Trusted Traveler Cards experience the highest satisfaction rates in all aspects of the passport control journey

Customer satisfaction when going through passport control by channel[1]
Avg CSAT

Sub-Journey	Paper Forms[2]	Trusted Traveler Card[3]	Automated Passport Control[4]
Prepare	7.70		
Arrive	7.52	8.12	7.39
Wait	6.20	7.36	6.95
Show/Answer/ Provide	7.68	8.27	7.49
Baggage	7.74	8.08	7.79

Least satisfied
Most satisfied
Sub-journey does not apply

- Customers are **most satisfied with the Trusted Traveler Card** across all journeys, performing particularly well during arrive, show / answer / provide, and baggage
- **Waiting in line with paper forms is least satisfying for customers**

1 Sample size varies based on number of responses for each sub-journey; 2 N = 322; 3 N = 103; 4 N = 306
SOURCE: Public Border Journey Pulse Survey, Nov-Dec 2018
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McKinsey & Company 18

- We performed a public sector citizen segmentation that isolated key factors that drive satisfaction with the passport control journey
- Identifying Trusted Traveler Cards as a driver of increased satisfaction can tactically help guide strategic development of the program

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TO2 Phase 1: We will use our proprietary tools and extensive network to assess emerging technologies

CBP could integrate a number of useful technologies …

Identified in RFP

- Biometric data collection
- Block chain and other "ledger" technologies
- Smart queuing and process flow technologies
- Crowd counting, throughput, and wait-time measurement technologies
- Data storage, retrieval, segmentation, and matching
- Mobile applications

Additional technologies to consider

- Natural language processing
- Big data / advanced analytics
- Artificial intelligence and machine learning
- Virtual agents

… and our tools are designed to help assess the market to identify the best partner for each initiative

McKinsey's Startup and Investment Landscape Analytics (SILA) tool can help identify innovative startups, potential partners, and thought leaders

INPUT. Diverse data sets

Market landscape is developed with inputs from comprehensive data sources on:

- Private/VC investment
- Scientific publications and patents
- News

dealogic · THOMSON INNOVATION · CrunchBase · PitchBook · Gartner · INNOGRAPHY · IDC · S&P CAPITAL IQ · CB INSIGHTS · AngelList · FACTIVA

ENGINE. Semantic analysis and network analytics

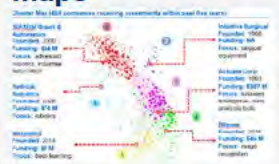
Semantic analytics is used to identify implicit similarities between organizations, topics and group them in clusters

alteryx · tableau · R · Gephi

Proprietary Algorithms

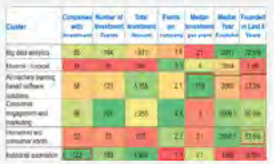
ANALYSIS and DELIVERABLES. Data visualization and analysis

Market landscape maps



List of potential partner/ acquisition targets

Market segment heatmaps



Company deep dives

(b) (6)

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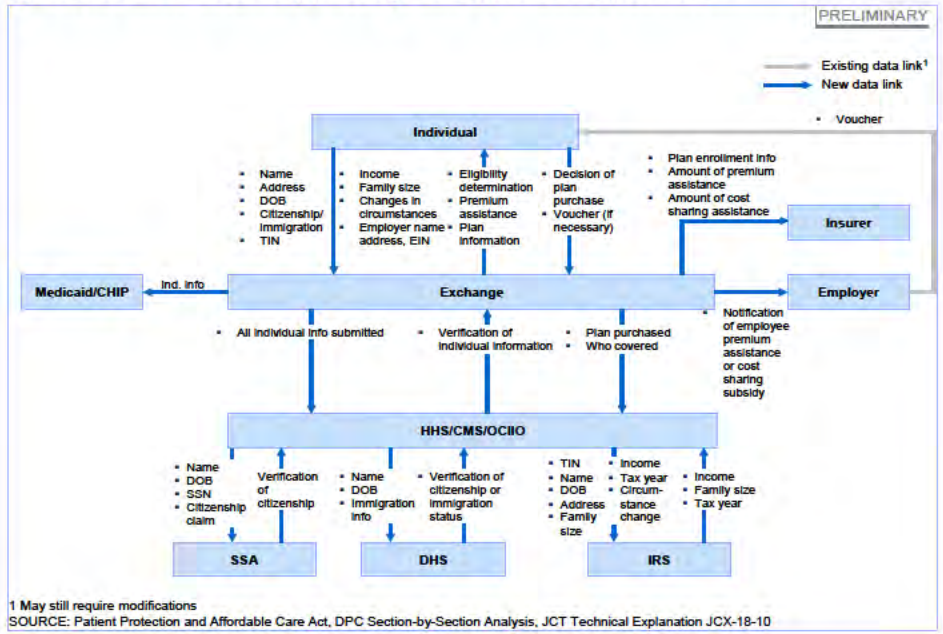
TO2 Phase 2: We have successfully supported large government clients in designing, visualizing, and operationalizing new process flows and experiences

(b) (6)

Analyzed the complex data flows of healthcare exchange ecosystem, which covers >20M citizens …

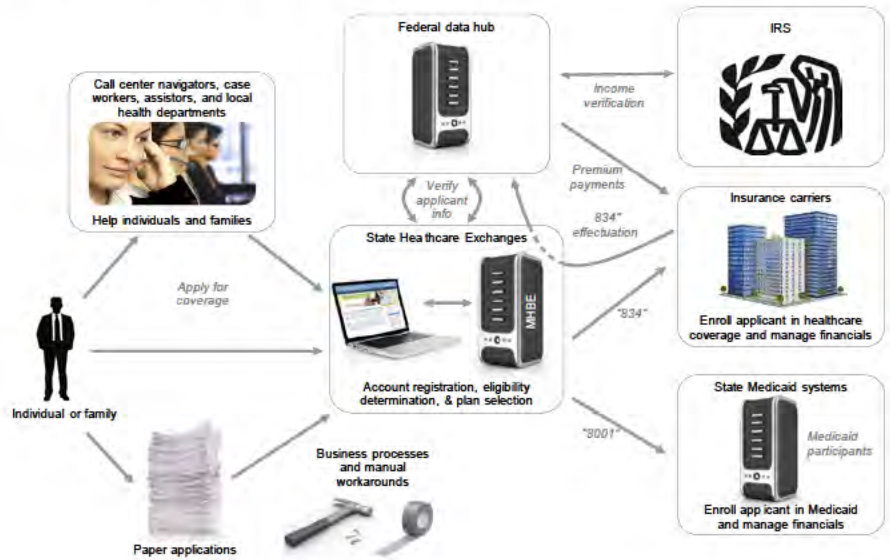
… and visualized future processes and experiences in clear and digestible form to foster stakeholder buy-in

High level data flows supporting the application process



1 May still require modifications
SOURCE: Patient Protection and Affordable Care Act, DPC Section-by-Section Analysis, JCT Technical Explanation JCX-18-10

Concept of operations for state healthcare exchange application process



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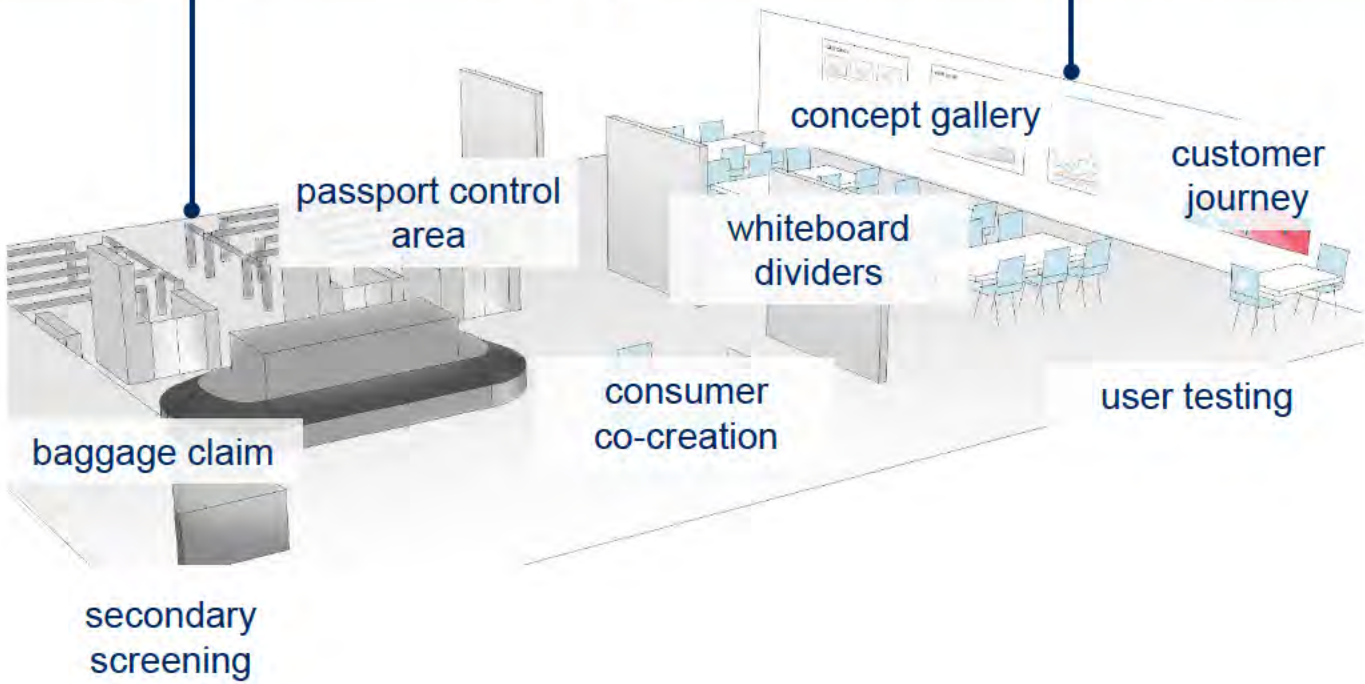
TO2 Phase 3: We will launch the CBP Innovation Lab to explore technologies, engage stakeholders, and build innovation capabilities

Rendering of proposed CBP Innovation Lab

Prototype Area
- Tools to develop quick rapid prototypes
- Cross-functional teams "sprinting" with on-call executive sponsorship

Collaboration Area
- Multi-functional space to conduct idea generation
- Visualizations of operational performance and future innovations
- Stakeholder outreach and collaboration



(b) (6)

- **Designed and built** a model for future checkpoints in LUNAR's innovation hanger
- **Involved more than 25 stakeholders in the innovation hangar** to collaborate on concept development
- Developed a revised checkpoint with the potential to **increase operational efficiency by 20-30%, enhance passenger screening levels, and deliver a step-change increase in customer satisfaction**

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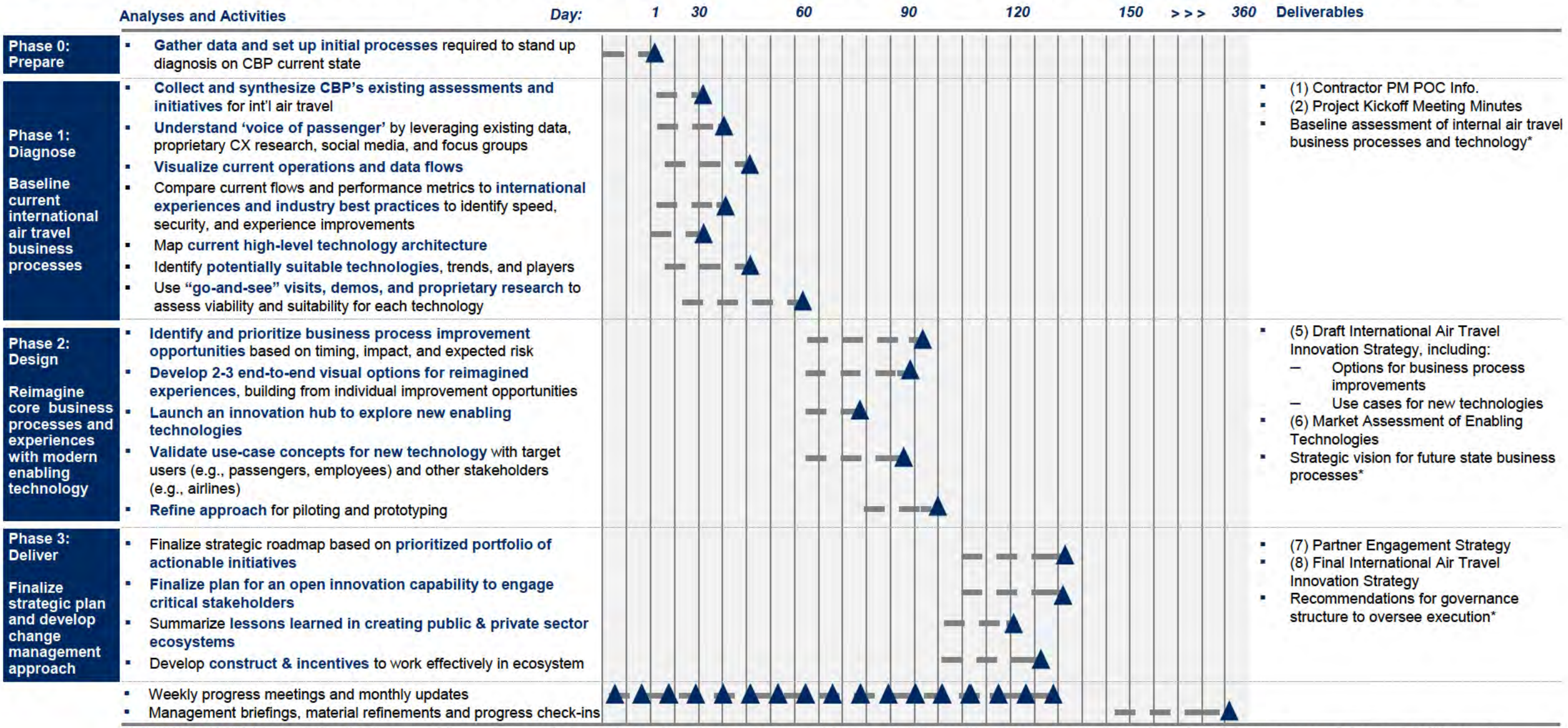
Our TO2 plan provides an accelerated timeline based on an integrated approach


Analyses and Activities
Day:
1
30
60
90
120
150
> > >
360
Deliverables
Phase 0: Prepare
Gather data and set up initial processes required to stand up diagnosis on CBP current state
Phase 1: Diagnose
Baseline current international air travel business processes
Collect and synthesize CBP's existing assessments and initiatives for int'l air travel
Understand 'voice of passenger' by leveraging existing data, proprietary CX research, social media, and focus groups
Visualize current operations and data flows
Compare current flows and performance metrics to international experiences and industry best practices to identify speed, security, and experience improvements
Map current high-level technology architecture
Identify potentially suitable technologies, trends, and players
Use "go-and-see" visits, demos, and proprietary research to assess viability and suitability for each technology
(1) Contractor PM POC Info.
(2) Project Kickoff Meeting Minutes
Baseline assessment of internal air travel business processes and technology*
Phase 2: Design
Reimagine core business processes and experiences with modern enabling technology
Identify and prioritize business process improvement opportunities based on timing, impact, and expected risk
Develop 2-3 end-to-end visual options for reimagined experiences, building from individual improvement opportunities
Launch an innovation hub to explore new enabling technologies
Validate use-case concepts for new technology with target users (e.g., passengers, employees) and other stakeholders (e.g., airlines)
Refine approach for piloting and prototyping
(5) Draft International Air Travel Innovation Strategy, including:
– Options for business process improvements
– Use cases for new technologies
(6) Market Assessment of Enabling Technologies
Strategic vision for future state business processes*
Phase 3: Deliver
Finalize strategic plan and develop change management approach
Finalize strategic roadmap based on prioritized portfolio of actionable initiatives
Finalize plan for an open innovation capability to engage critical stakeholders
Summarize lessons learned in creating public & private sector ecosystems
Develop construct & incentives to work effectively in ecosystem
(7) Partner Engagement Strategy
(8) Final International Air Travel Innovation Strategy
Recommendations for governance structure to oversee execution*
Weekly progress meetings and monthly updates
Management briefings, material refinements and progress check-ins

TEAM RESOURCING: Committed Partners (part-time), deep content experts (part-time), one Engagement Manager (full-time), three Associates/Business Analysts (full-time), a research team available around-the-clock, a world-class graphics team, and access to an extensive library of proprietary knowledge and tools

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* Additional deliverable recommended by McKinsey

We will bring the best of our innovative and analytical capabilities to deliver on CBP's aspirations and objectives

Innovative

Human-Centered Research. Our team of ethnographers, experience designers, and consumer insights experts will help CBP to uncover powerful insights with proven tools and approaches

Designers. Our team of more than 350 award-winning designers will help CBP to develop breakthrough solutions and experiences that delight travelers, while improving CBP's ability to adapt to external and internal threats

Makers. Experienced makers with a range of experience from airport service delivery to IoT device development to user interface design that can help CBP to rapidly bring solutions to life

Coaches. We will build CBP's long-term agile and innovation capabilities through our side-by-side teaming approach and hands-on working model

Analytical

Strategists. Our unrivaled strategic thinking will bring expertise in long-term disruption and experience in border security, law enforcement, and airports

Data Analysts. We will use our fact-based thinking and proprietary analytics (e.g., Startup Investment Landscape Analysis, Strategy Trends and Analytics Center) to help frame opportunities and potential of new solutions

Operators. Seasoned professionals that know how to build, measure, and scale solutions across large distributed workforces will work side by side with innovators

Conveners. Our extensive network of external start-ups, experts, and partners (e.g., Novetta and Sentinel) will help you think differently in brainstorming workshops and be smart when planning and developing new solutions

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We have innovative and analytical capabilities that enable end-to-end, insights-led organizational transformations

Innovative Analytical

Hack-a-thons
Concept testing
Value prop testing
Portfolio of initiatives
Market trends
Customer segments
Strategy develop-ment
Journey mapping
Competitor analysis
Consumer behavior and attitudes
Ethno-graphy
Prototyping
Co-creation
Operations
Org structure and health
Training
Empathy maps
Wire-frames
Positioning and branding
Logistics
Bootcamps
Pricing
Technical delivery
Open Innovation
Innovation "hangar"
Culture
Sourcing
Design-to-value
Agile methods

Example: Hack-a-thons convene a diverse set of makers and users to define the right problem to solve, generate solutions, and iteratively build and test a useable prototype in one day

Example: Mobile ethnography recruits travelers from a diverse panel. We ask them to record videos, send photos, and share short responses to questions while they go through an experience in real time, allowing us to see what they see, do, think, and feel

Example: "Silicon Valley Bootcamp" delivers first-hand immersion into Silicon Valley's innovation culture, catalyzing top team alignment and action while developing valuable external relationships

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We will collaborate with CBP to achieve outcomes that improve agility and responsiveness against emerging threats

Increased border security, improved facilitation of trade, and seamless traveler experience

Potential measures of success	**World-class operating performance** empowered by leading capabilities that enable best-in-class customs experience	**Agile organization model adaptive to new threats and operating challenges** as they arise and consistently able to evolve to meet customer demands	**Energized and engaged employees** with transparency into the aspiration, the path to achieve it, and their role in the process	**Aligned internal and external stakeholders** with new vision and CBP processes; airports and other key stakeholders engaged in partnership
Sample KPI outcomes	▪ Reduced processing time for international passengers, crew, and cargo ▪ Improved customer experience through customs	▪ Real-time deployed model that focuses on potential threats ▪ Increased deterrence rate of external threats outside the U.S. and at-the-border	▪ Significant improvement in FEVS score ▪ Improved employee satisfaction at CBP ▪ Reduced internal threats due to more efficient workforce management	▪ Increased detection and seizure of illegal goods through collaboration ▪ Reduced cost and increased revenues from fees, duties, and taxes
How we will achieve these outcomes together	▪ Use proprietary process improvement tools and techniques to increase throughput ▪ Draw on open innovation network	▪ Build capacity for greater agility by teaching how to problem-solve ▪ Capitalize on expertise in navigating political uncertainty	▪ Lead change management effort and create working teams to improve internal capabilities/morale	▪ Use vast network to convene internal and external stakeholders and draw input ▪ Mobilize private sector

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NOT EXHAUSTIVE

To achieve these outcomes, we will actively mitigate difficulties and risks that could arise in the course of the project

Possible project risks	Potential mitigating strategies – for discussion and not exhaustive
▪ Stakeholder resistance to strategic change	▪ Engage internal and external stakeholders from Day 1, and seek collaborative input for key decisions ▪ Craft a simple and compelling change story for strategic implementation that will resonate across all levels of CBP
▪ Lack of data availability or inconsistent quality for operational baseline	▪ Deploy an advance team (Phase 0) to survey availability and quality ▪ Launch targeted data collection efforts where data gaps exist and where data is critical to effort ▪ Leverage advanced analytics capabilities
▪ Insufficient bandwidth of personnel to support strategic planning	▪ Effectively communicate the importance of the effort to incentivize staff participation through performance evaluations or advancement opportunities ▪ Garner leadership commitments to pledge staffing resources across CBP ▪ Consider how Administratively Uncontrollable Overtime (AUO) could affect the amount of time any individual can contribute, and size the team accordingly
▪ Requirement for full attention of CBP leadership team on another priority	▪ Incorporate the agency's reprioritization through agile problem solving ▪ Assign team resources to analyses and activities that can be performed independently ▪ Pause the effort when necessary to allow CBP personnel to accomplish urgent activities
▪ Legislative or regulatory change that requires planning adjustments	▪ Prioritize portfolio initiatives by importance to allow CBP to economize in case of budget uncertainty ▪ Implement an effective change management plan that allows for agile and continuous strategic adjustment

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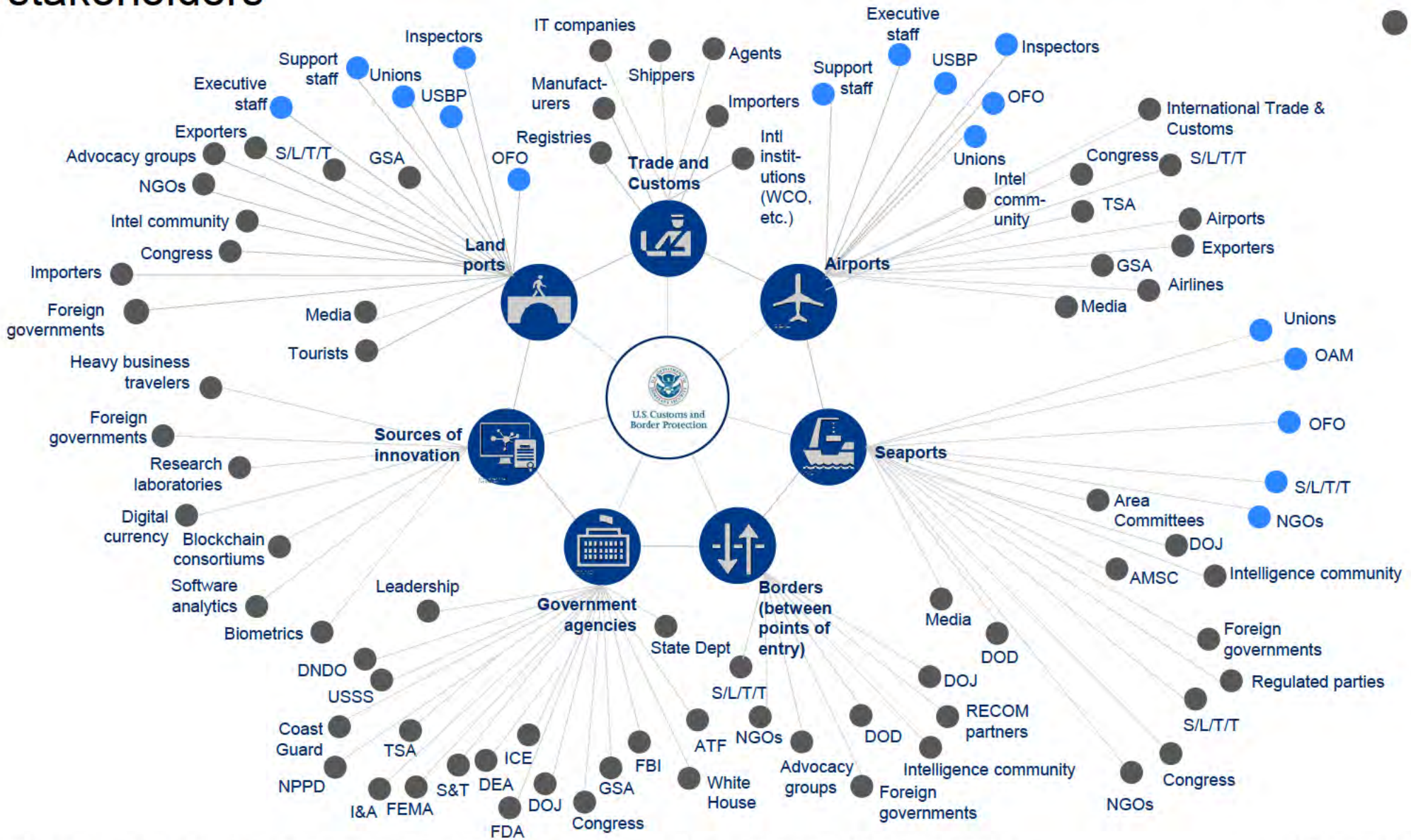
We understand that CBP operates in a complex universe of internal and external stakeholders

NOT EXHAUSTIVE



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We have experience developing and executing plans to engage stakeholders and balance diverse perspectives

(b) (6)

Approach

1 **Diagnose both needs and requirements**

2 **Engage stakeholders in multiple stages to design solutions**

3 **Build buy-in using fact-based understanding of trade-offs and outcomes**

Stages of stakeholder input

Baseline operational assessment
- Leveraged McKinsey resources to access external stakeholders (e.g., airline reps, airports, biometrics firms, and TSA field agents)
- Conducted field visits to 10 airports

Solution development and refinement at Innovation Hangar
- Utilized unique capabilities to launch creative, hands-on solutions
- Engaged 25 stakeholders (e.g., TSA headquarters and field staff, airline reps and airport authorities)

Solution syndication
- Drew on extensive firm experience to:
  - Align key TSA leaders on recommended solutions
  - Choose and onboard implementation champions

Key stakeholders

Input from external stakeholders at the right stages

DELTA, UNITED, Southwest, American Airlines, Dallas Love Field, LATAM, Cathay Pacific, Fairbanks International Airport, Dulles International, Hartsfield-Jackson Atlanta International Airport, Nashville International Airport, RDU, Midway International Airport, O'Hare International Airport, DFW, Dallas Fort Worth International Airport, Schiphol, Toronto Pearson, Hamad International Airport, McGhee Airport

Collaboration with internal stakeholders and across DHS at all stages of input

U.S. Immigration and Customs Enforcement
- Transportation Security Officers
- Federal Security Directors
- TSA Systems Integration Facility
- Innovation Task Force

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McKinsey and its partners have extensive experience working in the highest security environments of the U.S. government

(b) (6)

Description

Facilities

- McKinsey and partners have been granted **Facility Security Clearance** at the **Top Secret level** and can process DD Form 254
- McKinsey and its partners have a **NISPOM-compliant security program**; all classified information will be handled on CBP site to ensure safeguarding and protection

Personnel

- Proposed key personnel have **active security clearances** (TS clearance [Elder] and Interim TS [Neher])
- All personnel will have clearances as required and follow strict rules and policies for handling sensitive and classified data
- Team will achieve security and risk accreditation with **100% compliance**

Procedures

- All involved personnel will attend all mandated client (e.g., CBP) required security training
- McKinsey and our partners use robust internal trainings that cover relevant security and risk topics (e.g., PII, insider threat)

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Our management approach promotes quality while minimizing risk

Commitment to best value – We work as 'one firm' to deliver the best value and highest quality

Ongoing risk assessment – We regularly assess risk and facilitate problem-solving on concerns on an ongoing basis as part of our performance

Teams perfectly matched to need – We staff teams to provide the greatest value for each client situation, bringing deep expertise and complementary skills

Direct leadership involvement in our teams – Our Partners commit real time to leading engagements (1:6 ratio of Partners to Associates)

Continual co-creation – We iterate on our solutions in direct collaboration with leadership and staff to drive quality, fine-tune impacts, and reduce risk

Eye toward impact – We use regular reviews to share information, guide problem-solving, challenge progress and hypotheses, identify and resolve potential issues, check schedules, and ensure all activities focus on positive impact

Planning with adaptability for change – We remain agile to adjust to new insights and any changes to priorities or problem context to maintain quality and focus

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We have an integrated team with clear roles and responsibilities

Subcontracting strategy

- **Select partners based on specific capabilities, expertise and experience, with clear mapping to tasks and roles/ responsibilities**
- **Maintain a BPA-level view of expertise CBP will require**
- **Leverage existing rela-tionships where possible**
- **Use integrated teams led by TO Project Managers**
- **Maintain open communication with subcontractors at BPA and TO levels**

(b) (6)

- Strategic consulting firm specialized in homeland security
- Supported CBP on developing agency-wide priorities, Border Patrol 2012-2016 Strategic Plan, and data intensive IT projects (e.g., Border Enforcement Management System [BEMS] and Targeting Analysis Systems Program Directorate [TASPD])
- Part of TO1 project team
- **Specialty/expertise**: Strategy and understanding of CBP

- Company provides biometrics consulting, big data and advanced analytics solutions, and large-scale, cyber, open source/media, and multi-INT analytics
- Leading a CBP-led geospatial predictive modeling project for CBP and USCG
- Part of TO2 project team
- **Specialty/expertise:** Biometrics and big data

- Woman-owned small business that provides management consulting capabilities focused on homeland security and IT
- Hands-on experience with U.S. Federal agencies
- Subcontractor to McKinsey on TSA checkpoint of the future work and projects with FEMA and ICE
- **Specialty/expertise:** HR and communications, and program management

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We will work with CBP in joint teams across all levels of the organization

CBP

- CBP Senior Leadership (Commissioner, Assistant Commissioners, EACs, Chief of Border Patrol, Director of Field Ops, Port Director, Assistant Port Director)
- CBP Field Officers (OFO, USBP, OAM)

We will also bring cutting-edge tools and capabilities as needed to push thinking forward on each task order

Task Order #1
- McKinsey Global Institute
- McKinsey Center for Government
- Strategy Trends & Analytics Center

Task Order #2
- McKinsey Digital Labs
- Advanced Analytics (e.g., Quantum Black, SparkBeyond)
- Design Firms (e.g., LUNAR and Veryday)
- McKinsey Design-To-Value Labs
- Silicon Valley Bootcamps

McKinsey BPA Management[1]

- (b) (6), **BPA Manager (Key)**

Task Order 1

- (b) (6) (b) (6) **Project Manager (Key)**
- (b) (6) Sentinel
- (b) (6) ArcAspicio
- (b) (6) Engagement Manager[2]
- Associates (2)

Task Order 2

- (b) (6) (b) (6) **Project Manager (Key)**
- (b) (6) Novetta
- (b) (6) nar
- (b) (6) Engagement Manager[2]
- Associates (3)

Additional Task Orders

BPA Leadership

- (b) (6), (b) (7)(C) **Partner, Leader of Customer Experience Practice for Americas (Key)**
- (b) (6), (b) (7)(C) Partner, Leader of Innovation Practice in the Americas
- (b) (6), (b) (7)(C) Senior Partner, U.S. Public Sector Practice Leader

Subject Matter Experts

Core team will engage subject matter experts and functional capabilities as required:
- **Border Security & Law Enforcement:** (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)
- **International Customs and Trade:** (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)
- **Integrated Strategy:** (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)
- **dvanced Analytics** (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)
- **stomer Experience:** (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)
- **Business Processes & Systems:** (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)
- **Transportation and Infrastructure:** (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)
- **Human Capital:** (b) (6), (b) (7)(C)

1 Bolded individuals are listed as key personnel and resumes are included
2 Example Engagement Manager

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Our team offers broad capabilities across industries, functions, and activities within BPA scope

Name	Organization	Industry Expertise			Functional Expertise					Other Important Skills						
		Border Security & Law Enforcement	International Customs & Trade	Trans-portation and Infra-structure	Innovation & Customer Experience	Integrated Strategy	Business Processes & Systems	Human Capital	Advanced Analytics & Digital	Stake-holder Mgmt	Change Mgmt	Project Mgmt	Comm-unica-tions	Risk Mgmt	Imple-mentation	Cap-ability Building
(b) (6)	**McKinsey**	X		X	X	X	X	X		X	X	X	X	X	X	X
	McKinsey	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
	McKinsey	X			X	X			X	X	X	X		X		X
	McKinsey	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
	McKinsey	X				X		X		X	X	X	X	X	X	X
	McKinsey			X			X	X		X	X	X	X		X	X
	McKinsey	X	X	X		X	X	X	X	X	X	X	X	X	X	X
	McKinsey	X		X		X	X	X		X	X	X	X	X	X	X
	McKinsey	X		X	X	X	X	X		X	X	X	X		X	X
	McKinsey	X	X	X	X	X	X	X		X	X		X	X		X
	McKinsey		X			X	X		X	X	X	X		X		X
	McKinsey		X		X	X		X	X	X	X	X		X	X	X
	McKinsey	X			X	X	X	X		X	X	X	X	X	X	X
	McKinsey	X		X			X			X	X	X		X	X	X
	McKinsey	X	X	X	X		X	X		X	X	X	X		X	X
	McKinsey LUNAR	X			X		X			X		X	X		X	X
	McKinsey LUNAR	X			X		X			X		X	X		X	X
	arcAspicio	X	X	X		X				X	X	X	X			X
	Novetta	X	X						X	X						
	Novetta	X	X						X							
	Sentinel	X	X	X		X	X			X	X	X	X	X	X	X
	Sentinel	X	X	X		X	X			X	X	X	X	X	X	X

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McKinsey will collaborate with CBP to generate adaptable, impactful, and executable solutions

- **Clarifying expectations, objectives and roles** on Day 1, and holding regular check-ins to update as necessary
- **Co-creating openly and inclusively**, working and problem solving side-by-side with the CBP team on a day-to-day basis
- **Considering our clients' context and culture** in our planning, working style, and deliverables
- **Building client capabilities to sustain CBP's improvement** through training, workshops, and change management plans
- **Providing cutting-edge, valuable expertise** across strategy, technology, operations, innovation, and other relevant subjects

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AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

1. CONTRACT ID CODE	PAGE	OF	PAGES
	1		1

2. AMENDMENT/MODIFICATION NUMBER	3. EFFECTIVE DATE	4. REQUISITION/PURCHASE REQUISITION NUMBER	5. PROJECT NUMBER *(If applicable)*
A0007	07/14/2017		

6. ISSUED BY CODE

DHS - Customs & Border Protection
Department of Homeland Security
1300 Pennsylvania Ave, NW
Procurement Directorate - NP 1355
Washington DC 20229

7. ADMINISTERED BY *(If other than Item 6)* CODE

8. NAME AND ADDRESS OF CONTRACTOR *(Number, street, county, State and ZIP Code)*

CODE FACILITY CODE

(X) 9A. AMENDMENT OF SOLICITATION NUMBER
HSBP17QPAC

9B. DATED *(SEE ITEM 11)*
03/29/2017

10A. MODIFICATION OF CONTRACT/ORDER NUMBER

10B. DATED *(SEE ITEM 13)*

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☒ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☐ is extended. ☒ is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods: (a) By completing items 8 and 15, and returning 1 copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or electronic communication which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by letter or electronic communication, provided each letter or electronic communication makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA *(If required)*

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NUMBER AS DESCRIBED IN ITEM 14.

CHECK ONE	
☐	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: *(Specify authority)* THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NUMBER IN ITEM 10A.
☐	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES *(such as changes in paying office, appropriation data, etc.)* SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
☐	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
☐	D. OTHER *(Specify type of modification and authority)*

E. IMPORTANT: Contractor ☐ is not ☒ is required to sign this document and return 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION *(Organized by UCF section headings, including solicitation/contract subject matter where feasible.)*

Amendment A0007 to solicitation HSBP17QPAC provides for an update to the RFQ. A summary of the changes are as follows:
i. The removal of total awardee limitations (Please see changes in the RFQ, highlighted in yellow).
ii. The cancellation of the Task Order #2 requirement, in its entirety, due to recent, unanticipated changes to mission requirements. It is anticipated to be re-solicited in a future requirement to BPA holders.
iii. For future task orders, Organizational Conflict of Interest (OCI) Risk Mitigation Plans will be required from BPA holders (Please see changes in the RFQ, highlighted in yellow).
All other terms and conditions remain unchanged.
Attachment(s): 1. A0007 RFQ - HSBP17QPAC.pdf

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER *(Type or print)*		16A. NAME AND TITLE OF CONTRACTING OFFICER *(Type or print)*	
(b) (6), (b) (7)(C) Senior Partner		(b) (6), (b) (7)(C) Contracting Officer	
(b) (6), (b) (7)(C)	15C. DATE SIGNED 7/14/17	(b) (6), (b) (7)(C)	16C. DATE SIGNED 07/14/2017

Previous edition unusable

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